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Report on Security Council Arms Trade Forum

PM1107120591 Moscow PRAVDA in Russian 11 Jul 91 Second Edition p 4

[Report by unidentified correspondent: "'Big Five' Draw Up Rules"]

[Text] Paris, 10 Jul—A two-day conference of representatives of the USSR, the United States, France, Britain, and China on problems of the export of conventional arms and the nonproliferation of weapons of mass destruction has been held here. The "big five" occupy the leading place in the world in terms of weapons exports, and among them the Soviet Union now holds first place.

The participants in the meeting agreed to draw up international rules for the export of weapons, primarily to explosive spots like the Near East. At the conference, proposals were submitted from France according to which it is recommended that deliveries of weapons of mass destruction to this region be refrained from and that a total ban be imposed on deliveries of chemical weapons and on any aid to other countries from the "big five" in developing them.

The communique adopted on the results of the meeting points out that its participants note with anxiety the danger connected with the excessive buildup of military potentials in various regions. The representatives of the five states, which are permanent members of the UN Security Council, confirmed that they will not sell weapons to other countries if such deliveries could jeopardize international stability. The sides also voiced their intention "to observe the rule of restraint" when making decisions on questions of weapons exports.

It was decided to continue consultations on the problems discussed. It was agreed that a new meeting of representatives of the five states which are permanent members of the UN Security Council devoted to this subject will be held in London in October this year.

Arms Meeting 'Unprecedented'

LD1107203691 Moscow TASS in English 1944 GMT 11 Jul 91

[By TASS analyst Yuriy Tyssovskiy]

[Text] Moscow July 11 TASS—A meeting of representatives of five states—permanent members of the United Nations Security Council—on arms export standards ended in Paris on Tuesday.

This unprecedented event was, undoubtedly, a direct result of an acute crisis that erupted early last August in the Gulf after Iraq occupied Kuwait. In fact, the aggressor had been armed by many countries.

The five states, whose representatives gathered in Paris, account for 80 per cent of all weapons in the Iraqi Army.

In the past twenty years, the Middle and Near East has been turned into a powder keg with a burning fuse.

According to the Stockholm Institute for Peace Research the Soviet Union and the United States accounted for 69 per cent of arms sales, 40 and 29 per cent respectively, in 1990. Soviet exports have fallen considerably since then. EC countries accounted for 21 per cent. Most weapons were sold to the Middle and Near East.

In the post war period, requests for new modern weapons have been flowing in to Western states from "traditional" clients and Israel, which, according to the International Monetary Fund, spent a quarter of its gross national product on arms from 1972 to 1988.

The Paris meeting discussed two disarmament plans. The U.S. proposal envisages a freeze on deployment and a subsequent ban on ballistic missiles, chemical arms, the production of nuclear materials and cuts in conventional arms sales in the Middle East.

The French suggestion was more radical and suggested eliminating chemical arsenals, banning chemical weapons production, reducing nuclear weapons stocks and holding talks to balance forces in all regions of the world. Paris also suggested creating a register of weapons sales at the United Nations.

Participants in the meeting reached a superficial compromise between the two plans, deciding to discuss "disarmament in the Middle Eastern region in a global aspect" behind closed doors.

The "five" supported ridding the Middle and Near East from weapons of mass destructions and agreed in principle not to forward arms to countries that threaten regional stability and step up national control over such exports.

Practically all participants in the Paris meeting expressed satisfaction with its results.

The meeting's decision might appear declarative. However, immense difficulties that faced participants should be taken into account. Some regarded several Middle Eastern states as "terrorists", others—as "fighters for national liberation".

Apparently, the sides reached consensus that any state in the region has the right to purchase weapons for self-defence.

Control over weapons deliveries is especially important, because private companies, seeking profit, repeatedly violated this provision. Besides, any weapons delivery can violate the delicate balance of forces and prompt demands to restore "justice".

The implementation of concrete decisions requires a sober and pragmatic approach from all sides.

In the run up to the Paris meeting, participants stressed that it is a starting point "in a long, complex and delicate process". Representatives of the five powers will have their next meeting in London in October.

Presidential Spokesman Ignatenko Gives Briefing

PM1207081191 Moscow IZVESTIYA in Russian 12 Jul 91 Union Edition p 1

[By G. Alimov: "Program of M. Gorbachev's Visit to London"]

[Excerpts] M. Gorbachev is completing work on the report which he is to deliver to the leaders of the G-7 on 17 July. As Vitaliy Ignatenko, director of the Soviet President's press service, has announced, a synopsis of the report will be sent to the G-7 leaders on the eve of the visit for preliminary perusal.

Answering your IZVESTIYA correspondent's question on what the basis of this report is, the Cabinet of Ministers' anticrisis program, the program of Yavlinskiy and the Harvard group, or some other studies, V. Ignatenko noted:

"Gorbachev's plan is based on all the programs which were available. But what Mikhail Sergeyevich will offer the G-7 is an original piece of work, which could safely be called the Gorbachev program or plan. It differs from the programs that you mentioned—both in the way the question is put, in the priorities, and even in its language."

What Hopes Does the President Take With Him?

The director of the USSR president's press service has been asked this question a number of times before: What hopes will M. Gorbachev be taking with him to London? The emphasis in the replies of the briefing director did not change this time either, except that he added that the G-7 will be meeting with a country of the future, the Soviet Union of the future, because everything that our president will be talking about will be aimed at the kind of country that the international community will be seeing very soon. [passage omitted]

Moscow Supports the Fulfillment of the UN Resolutions

V. Ignatenko was asked how Moscow regards the reports that Iraq is concealing the production of nuclear weapons from the United Nations.

"We expect," the briefing director said, "that Iraq will cooperate in full with the inspection group sent to that country by decision of the UN Security Council and the IAEA. We proceed from the need for Iraq to fulfill all the existing UN Security Council resolutions, including those envisaging the elimination of weapons of mass destruction and inspections at Iraq's nuclear installations. Subsequent steps in this sphere will clearly be determined by the Security Council after a detailed study and discussion of the inspection group's report.

When Will the Summit Be Held?

The departure of A. Bessmertnykh, USSR foreign minister, and M. Moiseyev, chief of the country's Armed Forces General Staff, to the United States inspires the hope that the date of U.S. President G. Bush's official visit to Moscow will soon be settled. The briefing director's comment suggested that as a result of the talks between the Soviet delegation and their U.S. colleagues, the final solutions may be found to those questions which have hitherto remained unresolved in the framework of the treaty on strategic offensive weapons. "Therefore, if they succeed in achieving that, and I think they will, we can plan on a summit at end of July including, perhaps, a couple of days in August," V. Ignatenko stated.

President Expresses Condolences

As already reported, the Soviet specialist Sergey Grishchenko, who was kidnapped by a terrorist organization in India, has been killed. At the request of your IZVESTIYA correspondent, Vitaliy Ignatenko commented on this tragic incident. He said that M.S. Gorbachev expresses condolences to S. Grishchenko's family and friends. The Soviet leadership took all possible measures to secure his release. This tragedy reminds us once again, the presidential aide stated, that the entire international community's efforts in eradicating terrorism in all forms must be stepped up.

Diplomatic Sources Discuss Gorbachev G-7 Agenda

OW1107092291 Moscow INTERFAX in English 1530 GMT 10 Jul 91

[Transmitted via KYODO]

[Text] The official part of the meeting of the Soviet President Mikhail Gorbachev with the G-7 leaders in London will last about four hours, IF [INTERFAX] reports quoting well-informed diplomatic sources.

According to preliminary data Mr. Gorbachev and every leader of the G-7 will address the gathering. The parties will exchange views on the possible coordination of efforts to promote reform in the Soviet Union.

Pavlov Briefs Media on Upcoming London Summit

OW1207051491 Moscow INTERFAX in English 1230 GMT 11 Jul 91

[Transmitted via KYODO]

[Text] Mikhail Gorbachov will go to London armed with the best ideas integrated from Soviet economists—Premier Valentin Pavlov has declared at a press-conference held in Moscow today, Thursday. But basic to the economic reforms the President will present in London is the anti-crisis programme of the USSR Cabinet "with elements from some Soviet experts and research centres".

V. Pavlov stressed that in preparing Mikhail Gorbachev's talks in London his cabinet's programme was not opposed to "Window of Opportunity" prepared by

Grigoriy Yavlinskiy jointly with Harvard specialists. The President will very flexible depending on the situation in London.

Commenting on the reduction of trade with the former CEMA partners, Valentin Pavlov ascribed it not to the switch to the world prices in foreign exchange, but to a lack of export resources in the USSR. The Minister of Economics V. Sherbakov also present at the press-conference, added that many offers are coming from East-European countries to restore economic links, also "apologies for some past remarks levelled at the USSR". V. Sherbakov spoke resolutely against the resumption of cooperation on a clearing or barter basis.

Frolov Meets With PRC, PCF Journalists

PM1207091191 Moscow PRAVDA in Russian 10 Jul 91 Second Edition p 4

["Own Information" report under the general heading: "Official Announcements"]

[Text] A delegation from the Chinese Journalists' Association headed by Li Yang, the association's deputy chairman and deputy head of the CPC Central Committee Propaganda Department, visited the PRAVDA editorial office on 9 July. The delegation met with I.T. Frolov, CPSU Central Committee Politburo member and chief editor of PRAVDA.

In the course of a frank conversation, PRAVDA's chief editor provided thorough answers to questions of interest to the guests. They had a friendly exchange of opinions on ways of further developing and improving the two countries' mass media.

On the same day I.T. Frolov met with R. Leroy, member of the French Communist Party [PCF] Politburo and political director of L'HUMANITE. During the ensuing conversation they touched on questions of the situation in the USSR, the preparation of the new CPSU Program, the upcoming CPSU Central Committee plenum, and the situation within the PCF. They also discussed problems involved in broadening and improving cooperation between PRAVDA and L'HUMANITE and PRAVDA's participation in the PCF newspaper's next annual festival.

1978 Korean Airliner Downing: Part I

91UF0971A Moscow IZVESTIYA in Russian 6 Jul 91 Union Edition p 7

[First of a two-part article by Senior Lieutenant I. Yelkov and Captain Yu. Abramov: "Instead of a Landing in Seoul a Descent in the Polar Regions: Details of the Violation of USSR Airspace in April 1978"]

[Text] **The tragedy that occurred during the night of 31 August-1 September 1983 in the sky above Sakhalin has been described in detail by IZVESTIYA journalists A. Illesh, A. Shalnev, and S. Agafonov in a series of pieces entitled "The Mystery of the Korean Boeing-747." At that time 269 people died. Apart from anything else those investigations made it possible to reveal another sharp aspect of our recent history that hitherto had been locked in secrecy. Today, two military journalists from Arkhangelsk give details unknown to the public at large about an incident involving a Boeing-707 passenger aircraft that also belonged to Korean Airlines and violated USSR airspace five years before the tragedy above Sakhalin.**

I.

They were flying from France to South Korea. "They" were more than 100 Koreans, French, Japanese, and Germans who were the passengers aboard a Korean Airlines Boeing-707 airliner en route Paris-Anchorage-Seoul. Soon after takeoff the aircraft deviated from its course and six and a half hours later violated Soviet airspace.

TASS: "Under night flying conditions, fighter aircraft of the country's air defense forces scrambled to intercept the intruder, maneuvered around the aircraft and using lights repeatedly commanded it to follow them in for a landing at the nearest airfield, but the aircraft ignored the commands and landed on a lake in the area of Kem city in the Karelian Autonomous Soviet Socialist Republic two hours after it had violated the airspace of the Soviet Union."

It was assumed that TASS was lying: The air defense fighters harassed the intruder right from the moment the pilots of the aircraft that had strayed into the Karelian sky refused to "see" anyone or anything, and blatantly ignoring the commands of the fighter flying alongside "made a dash" in the direction of Finland.

The order was passed to the pilot of the Su-15 and an air-to-air missile made its adjustment to the Boeing's line of flight. Ultimately, the route was Paris-Loukhi. The nearest lake, Korpiyarvi, fulfilled the function of a runway.

Colonel of the Reserves Boris Alekseyevich Samoylov, who at the time was the command post duty officer, takes up the tale:

"I went on duty at 2100 hours. Six or seven minutes later we received an alarming report from the duty officer at a subordinate command post, Lieutenant Colonel V. Golubkin: An unidentified aircraft had been detected over the sea at a range of about 300 kilometers from the border. Duty personnel and equipment had been brought to readiness.

"I gave the command to clarify the situation. After some time the duty officer again communicated: He said that the situation had been clarified—it was an An-12 returning from a mission in the Barents Sea.

"The An aircraft, of course, cannot fly at an altitude of 9,000 meters and at a speed of 900 kph. Absurd information! I repeated the command. A minute later they

reported that it was presumably a Tu-95 bomber returning. We contacted the headquarters of the Northern Fleet. The Navy people had nothing coming in, they were all still over the ocean.

"The pilot immediately found the intruder, and he reported an aircraft with Canadian (?!) markings. Then we received a report that there was some kind of hieroglyphics on the aircraft. (We suggest that the pilot reported not Canadian but Chinese markings, but the information was garbled during transmission because of the similarity of the words—author's note). I was still demanding clarification: Was it or was it not a passenger aircraft? I received no answer.

"At 2119 the aircraft crossed the border and started to head deep into the Kolskiy Peninsula. The telephones were simply ringing off the hook: 'Request permission to destroy it.' The commanding officer, Lieutenant General V. Dmitriyev, (he was at home at the time) was on the line all the time. It was decided not to use the surface-to-air missile forces.

" The intruder had already flown east of the village of Afrikanda and had a few minutes flight time left to reach the Finnish border.

"'Comrade commanding officer, it is leaving,' I told Dmitriyev.

"'Destroy it.' He had reached his decision.

"At 2142 Captain Bosov was ordered to fire a heat-seeking missile at the intruder. The aircraft immediately started to descend in a spiral glide.

"When I arrived at the Air Defense Forces Central Command Post the duty officer, as I recall, was General Koldybin. I reported. In response he told us: 'Do not shoot it down. Everything has been clarified.' Too late, the intruder had been downed."

Lt. Col. Aleksandr Vladimirovich Bolotov, regimental navigator, was a senior lieutenant at the time of the events that have been described.

"On that day, combat operations at our command post were under the command of Chief of Staff Captain Valeriy Volynets. He was a man with such a mathematical turn of mind that it was impossible to beat him at preference. So that after the first missile attack, when the outboard section of one of the Boeing's wings was broken off and was seen as a separate target on the radar, Valeriy analyzed the characteristics of the new "target" in a flash. The coincidence of circumstances was such that it had the characteristics of an American cruise missile. Chance? Yes, pure coincidence. But remember, this was 1978; there was a hullabaloo at the time, and the Americans were testing these missiles. Volynets called everyone: 'Another target has separated from the target, what should be done?' The answer: 'Wait.' I reached the decision myself. Slobodchikov fired at the falling wing section."

At that time the Boeing was already descending and had disappeared off the radar screen, but the blip of the new target, on the other hand, was very clear. Slobodchikov attacked at an altitude of 6,000 to 7,000 meters.

The incident may seem curious. Now, what the pilot had before him was not an Korean Air aircraft but the broken outboard section of a wing. It was nighttime, the flight had been scrambled, there was an intruder, and there was confusion at the command post. The order was given: "Destroy the target!"

The Boeing, now without one of its four engines and missing the outboard section of a wing, did nevertheless manage to keep flying. It landed on the lake. It "taxied" about 300 meters on the ice, turned through 90 degrees, and came to rest right on the shore.

"The next day I arrived at the takeoff control point," Lt. Col. Vladimir Vlasov recalls. "What a scene! There was no space on the hard landing for all the aircraft and helicopters that had arrived. To this day I have never seen so many generals and marshals! For example, two Tupolev aircraft from Moscow landed one right behind the other. Each one contained a general and his entourage. Then two half-empty aircraft came close on their heels, probably from the same airfield?! No one knew what would happen about the Boeing: Would people be punished or commended? The first campaign started with the search for the 'point men': Who gave the order to open fire? It was silent as the grave. No one was in any hurry, to put it graphically, to put his head on the block. After several days the second campaign started: Why was it not brought down immediately? The situation was in constant flux. First it was that they had done things right, then it was 'Why did they dare to shoot down a civilian aircraft?'"...

They promised General V.G. Tsarkov that he "would be judged by an international tribunal." This did not happen.

The Boeing violated the Soviet border at 2119 in the area of Murmansk and it hit the ice on the lake at 2305. The game of death lasted less than two hours. The "war of nerves" among the air defense troops lasted much longer. For example, Captain V. Volynets did not sleep for two days following the incident: He sat up writing explanatory reports, five or six copies of some of them!

Soldiers led by a warrant officer from the closest unit were the first to find the aircraft.

Senior Warrant Officer K. Karban describes it.

"I was the first to run to the aircraft; I walked round it twice but found nothing. When the soldiers arrived I ordered them to surround the aircraft at a distance of 50 meters. Personnel were carrying standard service weapons. The right wing of the aircraft had been damaged by striking a tree, the nose of the aircraft was undamaged. The inflatable emergency chutes were hanging from the four emergency exits. The left wing had

been damaged by a missile. The turbine of one engine had been impacted and the holes from the splinters could be seen in the fuselage. I started to try to reach the exit in order to get into the aircraft. I reached along the rubber chute to find the hidden handle for the hatch.

"I started to turn it and after several attempts the hatch opened. I grasped the side and clambered into the aircraft. A man with a bandaged head, his entire face covered in blood, came out of the cabin and moved toward me. I tried to stop him but he shouted something and gestured toward the wing of the aircraft, and also toward the after part of the cabin. In the cabin there was cigarette smoke and the smell of liquor. Some of the passengers were walking about, others were sitting with stupefied expressions, obviously in shock. One of the passengers was seriously injured, with a splinter through his chest; no one had helped him. Another, in the rear seat, had been killed by a splinter in the temple; the seats to his left and right were empty. A splinter had severed the heel of one woman, and several people were slightly injured, including two children. One of the passengers sitting at the end of the cabin got out of his seat when I and Sergeant V. Kolomiytsev, talking together, were looking at the dead man, and came up to us.

I told him that we were Russians. In broken Russian he said that he had studied in Moscow, and he kept on repeating 'Paris, Paris.' Newspapers and journals were placed in a special compartment above each seat, and in one of them I saw a map of the world showing the international air routes. All the arrows merged at Seoul. I counted the passengers and went up onto the flight deck, where the door was ajar. The pilots were sitting in their seats, also in a stupefied state. Only the aircraft commander said something in his own language, remaining in his seat. There was no lighting anywhere, but a small battery-powered lamp stood in the middle of the cabin in a recharging socket. The onboard circuits had been switched off, presumably to avoid fire. Two lamps were burning very dimly, but then they went out.

United States & Canada

Futher Reportage on Bessmertnykh Visit to U.S.

Talks With Matlock

LD0907155191 Moscow All-Union Radio Mayak Network in Russian 1530 GMT 9 Jul 91

[Text] Bessmertnykh, minister of foreign affairs of the USSR, received Matlock, U.S. ambassador to the USSR, today. They discussed several topical international problems, and current issues of Soviet-U.S. economic cooperation, including some in the context of the forthcoming exchange of opinions between the USSR and United States at top political level.

Talks With Bush at White House

LD1107115691 Moscow TASS International Service in Russian 1137 GMT 11 Jul 91

[By Igor Barsukov and Aleksey Berezhkov]

[Text] Washington, 11 Jul (TASS)—A meeting between U.S. President George Bush and USSR Foreign Minister Aleksandr Bessmertnykh, who is here on a working visit, has just begun at the White House. Problems of the completion of the work on the START treaty, prospects for holding a Soviet-American summit meeting in Moscow, and questions of bilateral relations are being discussed during the course of the conversation. Mikhail Moiseyev, USSR first deputy minister of defense and chief of the General Staff of the USSR Armed Forces, and Viktor Kompletkov, USSR ambassador to the United States, are present at the meeting.

Assesses White House Talks

LD1107172991 Moscow TASS International Service in Russian 1345 GMT 11 Jul 91

[By Igor Barsukov, Aleksey Berezhkov]

[Text] Washington, 11 Jul (TASS)—This morning in the White House there was a meeting between U.S. President George Bush and USSR Minister of Foreign Affairs Aleksandr Bessmertnykh, who is in the U.S. capital on a working visit.

Before the conversation began, President Bush thanked the Soviet minister for coming to Washington to discuss questions concerning strategic offensive weapons. "I think the American people view this as a significant and principled step on the part of the Soviet Union—your arrival here, organized in such a short time, in order to try to reach agreement on the details (of the treaty on strategic offensive weapons)," said the President. "I think," he noted, "that this demonstrates President Gorbachev's interest and your interest in attaining a treaty on strategic offensive weapons, which is important for both of our countries."

"I remain convinced that it is in the interests of the United States to hold a summit meeting in Moscow with President Gorbachev, since it is essential for us to discuss so many other questions," apart from problems of strategic offensive weapons, which, "I hope, we will be able to solve," Bush noted.

Having requested that best wishes be conveyed to the Soviet leader, the head of the U.S. Administration said: "I know that I am speaking also on behalf of other participants in the economic conference in London, and I ask that you convey to him that we are happy about his going there. I think that the meeting will pass off well. We all continue to support the immense changes which you are making in your country."

Aleksandr Bessmertnykh expressed the hope that the forthcoming talks will be successful. He reported that he had brought a letter with him from USSR President Mikhail Gorbachev to U.S. President George Bush.

Answering journalists' questions after the meeting ended, the Soviet minister said: "A conversation took place, brief but fairly intensive, with the President of the United States. We outlined possibilities for achieving agreement on a treaty concerning limiting strategic weapons. Both sides intend to work seriously on this. Apart from that, we touched on the general situation taking shape in Soviet-U.S. relations and discussed prospects for the London meeting of the 'Seven.' There was also a discussion about the forthcoming bilateral meeting between our countries' presidents in London, which will take place outside the framework of the conference of the 'Seven.' Although we were limited for time, we nonetheless also touched on problems connected with Iraq and the Near East as a whole. The President expressed readiness to further develop Soviet-U.S. relations and personally to assist in their progress."

Concerning the forthcoming Soviet-U.S. summit meeting in Moscow, the minister of foreign affairs stressed that the question of holding it was discussed. However, specific times were not named. "This will depend on the results of our talks with the secretary of state and on the concluding of a treaty on strategic offensive weapons. We have all the authority in order to complete work on this treaty," the Soviet minister stated.

To a question from a TASS correspondent on the contents of the letter from the Soviet president, Aleksandr Bessmertnykh answered: "They were important views concerning future mutual relations between the USSR and leading industrial powers."

U.S. Vice President Dan Quayle, Secretary of State James Baker, and Brent Scowcroft, assistant to the President for national security affairs, took part in the meeting in the White House on the American side. On the Soviet side Mikhail Moiseyev, chief of the General Staff of the USSR Armed Forces and first deputy minister of defense, and Viktor Komplektov, USSR ambassador to the United States, took part in the conversation.

Meets With Baker

LD1107213191 Moscow TASS in English 2107 GMT 11 Jul 91

[By Igor Barsukov and Aleksey Berezhkov]

[Text] Washington July 11 (TASS)—A meeting between U.S. Secretary of State James Baker and Soviet Foreign Minister Aleksandr Bessmertnykh on a working visit here had just begun at the U.S. Department of State.

The ministers are meeting one-on-one. Later the negotiations will be continued at a plenary meeting with the participation of the delegations of the United States and the USSR. Taking part in the talks from the Soviet side will be first deputy defence minister, Chief of the General Staff of the USSR Armed Forces Army General Mikhail Moiseyev and Deputy Foreign Minister Aleksey Obukhov. They arrived in Washington together with Bessmertnykh.

The main purpose of the negotiations is to clear the problems remaining in the way of concluding a treaty on the reduction of strategic offensive arms.

Comments on Talks With Baker

LD1207072191 Moscow TASS International Service in Russian 0451 GMT 12 Jul 91

[By Igor Barsukov and Aleksey Berezhkov]

[Excerpts] Washington, 12 Jul (TASS)—The first day of talks between U.S. Secretary of State James Baker and USSR Foreign Minister Aleksandr Bessmertnykh at the State Department has ended. Two rounds of one-on-one talks took place between the ministers, as well as a plenary sitting of the delegations of both countries. [passage omitted]

At the end of the meetings James Baker and Aleksandr Bessmertnykh made brief statements. [passage omitted]

For his part the Soviet minister said, "At the beginning of this round of talks we concentrated attention, naturally, on the treaty on strategic offensive weapons. We have expounded on a number of new thoughts on the questions under discussion. The working groups have now concentrated on the details of these proposals. We hope they will be able to report to us in the morning on the results of their work. We also conducted a discussion of regional problems, including the situation in the Near East and the efforts we are making to convene a peace conference, as well as the situation in other regions of the world, inter alia Afghanistan, in a very good, business-like, and constructive spirit." [passage omitted]

On the Iraq situation, James Baker underscored the importance of the observance of the UN Security Council resolution by the Iraqi Government, stipulating the provision of unhindered access for international inspectors to all this country's nuclear sites. In turn, Aleksandr Bessmertnykh noted that during the discussion of this matter attention had been concentrated on the Iraqi Government's letter on its nuclear program which had been sent to the United Nations on Monday. "I told the secretary of state that the Soviet government had discussed this issue with the Iraqi leaders even before they sent the letter, insisting on their strict observance of the provisions of the resolution," the Soviet minister noted. Answering the question of whether the Soviet government will support the use of force against Iraq if it refuses to observe this UN resolution, Aleksandr Bessmertnykh stated: "Now we are discussing other measures to correct the situation, putting the stress on the efforts of the United Nations."

Responding to a question by your TASS correspondents as to what was given the main attention during the exchange of opinions on the situation in Yugoslavia, Aleksandr Bessmertnykh said: "We discussed the present situation in this country, as well as the efforts that the United States, the Soviet Union, the European Community, and the new pan-European structures are making to normalize the situation there. We are alarmed by what is happening in Yugoslavia, but at the same time we hope this country will be able to preserve its unity and achieve resolutions to the problems confronting it by political means in the course of negotiations."

On Friday the talks of the U.S. secretary of state and the USSR foreign minister will continue.

Military Official on START Talks

LD1107150491 Moscow Radio Moscow World Service in English 1210 GMT 11 Jul 91

[Text] The Soviet foreign minister, Aleksandr Bessmertnykh, and the American secretary of state, Mr. James Baker, are meeting in Washington on 11 and 12 July to finalize the draft of the treaty on considerable reduction of strategic arms. The chief of the General Staff, Army General Mikhail Moiseyev, is a member of the delegation. Our military observer Vadim Solovyev interviews Colonel Vladimir Nosarenko, an expert on disarmament:

[Begin Nosarenko recording] The sides are to discuss the yet uncoordinated technical details: first, how to register warheads of the ballistic missiles that aren't subject to dismantling; second, how to decipher the data provided by the missile testing. As is known, part of the telemetric data transmitted from the missile during the test flight is coded. The problem, therefore, is how to determine that the data fully reflect the correspondence of the concrete flight of the missile to the agreed parameters. Third, how to inspect the industrial plants that manufacture strategic missiles. And finally, the fourth detail, what could be considered as the missile of a new type. Unless these details are coordinated the problem will remain. [end recording]

Western mass media offer the view that the Soviet military allegedly drags on with finalizing the treaty. Col. Vladimir Nosarenko again:

[Begin Nosarenko recording] These allegations are groundless. The Soviet delegation is not divided into diplomats and military men. It is a single whole. The Soviet delegation is authorized to do business by high state bodies of power and acts correspondingly. [end recording]

So, that was his view. But the American side thinks otherwise. But, anyway, these technical details have been unsolved for already six months. What's next? I think, says our military correspondent Vadim Solovyev, that now it's up to the high-ranking politicians to have their say. It was due to their active interference that the disputed clauses were coordinated in the treaty on the conventional armaments in Europe and President Bush submitted the document to the American Senate for ratification. The heads of the foreign policy departments of the Soviet Union and the United States seem to have received instructions to actively search for a compromise.

I hope we can achieve progress, said the Soviet Minister Aleksandr Bessmertnykh upon his arrival in Washington. And General Moiseyev also voiced hope that at the talks the sides would manage to untangle the remaining knots, should moves be reciprocal. And both presidents, too, could dot the i's during their meeting in London on 17 July. There is hope, therefore, that President Bush would visit Moscow in late July or early August.

Bush: Visit to U.S. 'Good Sign'

PM1107121391 Moscow PRAVDA in Russian 8 Jul 91 Second Edition p 5

[TASS report under general heading "Good Sign"]

[Text] Washington, 8 Jul—U.S. President George Bush today welcomed the upcoming working visit to the United States by USSR Foreign Minister A.A. Bessmertnykh. Addressing journalists in the White House, he described this visit as a "good sign" and stressed that there is enough time to prepare for holding the Soviet-U.S. summit in Moscow at the end of July.

"Much will depend on the upcoming meeting between Secretary of State Baker, Soviet Minister Bessmertnykh, and Army General Moiseyev," Bush declared. "I have said earlier that we want to hold the summit with the Soviets, and also that I want the agreement on the reduction of strategic offensive arms completed, and their visit is a good step. It is taking place in response to my message to President Gorbachev. There is enough time to ensure that we can hold the summit at the end of July. We do not know whether we will be able to eliminate the remaining last difficulties (in the conclusion of the strategic offensive arms treaty—TASS correspondent's note). But this visit must be viewed as a good sign..."

G. Bush mentioned that he will also have an opportunity to discuss these questions with President M.S. Gorbachev next week in London.

U.S.-USSR Nuclear Cooperation News Conference

PM1207095991 Moscow PRAVDA in Russian 6 Jul 91 Second Edition p 5

[By I. Mosin: "Nuclear Superproject"]

[Text] A news conference devoted to questions of cooperation between the U.S. and Soviet nuclear ministries was held in Moscow.

"We are working with our U.S. colleagues mainly in two chief areas," B. Nikipelov, USSR first deputy minister of atomic power engineering and industry, said. "The first is connected with research in the sphere of high-energy physics and thermonuclear power. The second is work on enhancing the safety of nuclear electric power stations, the utilization of radioactive waste, and environmental protection. Work with the public and the fostering of nuclear culture in people are also coming to the fore now. We have been convinced of one thing: Joint work is a guarantee of the high quality of our projects, their reduced cost, and their enhanced safety."

W. Henson Moore, deputy secretary at the U.S. Department of Energy, said:

"During the present meeting we proposed that our Soviet colleagues participate in the creation of the giant superaccelerator called 'Supercollider' and in scientific experiments on it. It costs approximately $8 billion. This will be the costliest laboratory in the history of science. The accelerator will be housed in a tunnel almost 87 km long. Experiments with huge energies and charges will be conducted on it. With the help of this project we hope to obtain the answers to many fundamental questions of the structure of matter. It is one more step in getting to know the atom. The project has begun to be implemented. It will end in 1999. We hope that the joint work on 'Supercollider' will mutually enrich our countries' scientists and specialists."

U.S. Stepping Up Centurion Submarine Development

PM1107123591 Moscow PRAVDA in Russian 9 Jul 91 First Edition p 5

[PRAVDA-TASS report: "United States"]

[Text] The U.S. Navy is stepping up the development of Centurion, a new nuclear strike submarine. According to U.S. naval leaders, this combat ship is called upon to become a worthy complement to the latest U.S. Seawolf missile-carrying submarine, currently being built at U.S. shipyards, which possesses enhanced firepower, runs

more quietly, and has some other advantages over vessels currently in the arsenal of the country's submarine fleet. Gerald Cann, assistant secretary of the Navy, for example, stated in this context during the recent Senate Armed Services Committee hearings that "together with the Seawolf, the new submarine will lead our strike submarine fleet into the next century." And according to Senator Joseph Lieberman, the Navy wants two or three such submarines to come off the stocks annually.

Yanayev Meets American-Soviet Dialogue Delegation

PM1107094791 Moscow IZVESTIYA in Russian 5 Jul 91 Union Edition p 5

[TASS report: "Visitors From the United States"]

[Text] On 3 July USSR Vice President G.I. Yanayev met with a delegation from the Forum for American-Soviet Dialogue, which is in our country at the invitation of the USSR Committee of Youth Organizations. Scientific and business circles and representatives of the U.S. administration are involved in the Forum's activities.

There was a conversation on a wide range of questions concerning the situation in the USSR and the development of Soviet-American relations.

Fishing Boat Runs Aground Off Puerto Rico

PM1107130391 Moscow PRAVDA in Russian 9 Jul 91 Second Edition p 1

[TASS report: "Soviet Ship Runs Aground Off Puerto Rico"]

[Text] 8 Jul—A U.S. Coast Guard auxiliary, civil defense personnel, and the administration of the Puerto Rican port of Mayaguez came to the rescue of the Soviet ship Larisa Reysner's crew Sunday [7 July]. According to the EFE report, the tuna fishing vessel ran aground 2 miles southwest of Mayaguez on the western coast of Puerto Rico. There are no details about damage suffered by the boat or crew.

Yeltsin, Gamsakhurdia at 4 Jul Reception

PM1007153791 Moscow ROSSIYSKAYA GAZETA in Russian 5 Jul 91 p 1

[Report from INTERFAX-RIA-TASS-ROSSIYSKAYA GAZETA roundup under the "News" rubric: "Reception at U.S. Embassy"]

[Text] J. Matlock, U.S. ambassador to the Soviet Union, held a reception 4 July to mark a national holiday—Independence Day.

The reception was attended by RSFSR [Russian Soviet Federated Socialist Republic] President B. Yeltsin, Georgian President Z. Gamsakhurdia, USSR Deputy Foreign Minister A. Obukhov, and other officials.

Kvitsinskiy, U.S. Official Discuss SFRY

LD1007121891 Moscow TASS International Service in Russian 1102 GMT 10 Jul 91

[Text] Moscow, 10 Jul (TASS)—Yuliy Kvitsinskiy, first deputy minister of foreign affairs of the USSR, received J. Collins, adviser and envoy of the U.S. Embassy in Moscow, at the latter's request.

The conversation touched upon questions regarding the situation in the SFRY and the international efforts to assist Yugoslavia in overcoming the crisis. The significance of the document on Yugoslavia adopted on 19 June in Berlin by the ministers of foreign affairs of the CSCE member states was stressed, as was the right of the peoples of the SFRY to decide the future of the state on the basis of democratic reforms, constructive dialogue, and legal and constitutional norms.

China

No Official Bodies Linked to Dalai Lama Visit

LD1107132491 Moscow TASS International Service in Russian 1255 GMT 11 Jul 91

[Text] Moscow, 11 Jul (TASS)—In connection with the arrival in the USSR on 10 July of the Dalai Lama, a USSR Ministry of Foreign Affairs spokesman today told a TASS diplomatic correspondent that this visit is being made at the invitation of the USSR Central Spiritual Administration of Buddhists, and is connected with participation in ceremonies devoted to the 250th anniversary of the introduction of Buddhism in Buryatiya and Kalmykiya.

In the Soviet Union the Dalai Lama is regarded exclusively as a religious figure, and a private individual. Soviet official organizations are in no way linked to his arrival.

As for the Soviet Union position with regard to Tibet, this is of a principled nature, and is consistent and unchanged. This position is based on recognition and support for the territorial integrity of China, and strict noninterference in its internal affairs. We regard Tibet as an inalienable part of China.

Buddhist Leader on Visit

LD1107144191 Moscow TASS in English 1406 GMT 11 Jul 91

[By TASS correspondent Sergei Petukhov]

[Text] Moscow July 11 TASS—The arrival in the Soviet Union of the Dalai Lama, head of northern Buddhism, is a great honour for the whole of the Buddhist community of this country, Dorzhi-lama, Moscow representative of the USSR Buddhist Spiritual Board, told TASS. He said that the visit would boost the activities of Buddhists in the Soviet Union.

According to Dorzhi-lama, there are some 50 Buddhist communities in Russia. There are five Buddhist temples in Buryatia, two in the Chita region, eastern Siberia, and one in Leningrad. He said that the Moscow Buddhist community hoped that a Buddhist temple would be opened in the capital.

The Dalai Lama came to this country on the invitation of the USSR Buddist Spiritual Board to attend celebrations of the 250th anniversary of Buddhism in Russia. They will begin on July 14 and will take place in Ulan-Ude, the Baykal region. The programme of his visit (between July 10 and 30) includes participation in religious ceremonies in Buddhist communities of Ulan-Ude, Aginskoye (Siberia) and Elista. In Moscow the Dalai Lama will meet representatives of various public organisations.

Chinese Officials on Science Cooperation

OW1107143591 Moscow Radio Moscow in Mandarin 2200 GMT 10 Jul 91

[Text] A Chinese science and technology delegation headed by Li Xue, first vice minister of China's Commission for Science and Technology, is now visiting the Soviet Union. The delegation is here to attend the fifth meeting of the Subcommittee for Scientific and Technological Cooperation, a permanent organ under the Soviet-Chinese Committee for Economic, Trade, and Scientific and Technological Cooperation. A plenary session of this committee took place in Moscow on 9 July. Members of the delegations of the two countries discussed issues concerning the development of Soviet-Chinese scientific and technological cooperation and analyzed the implementation of scientific and technological accords reached previously.

Yezhkov, head of the Soviet delegation and deputy chairman of the Soviet State Committee for Science and Technology, examined the work accomplished since the last meeting. He said: Soviet-Chinese scientific and technological cooperation has further developed. Since last year, practical measures have been adopted to make scientific and technological contacts more compatible with the development of our two countries' economic and trade relations. China's industrial departments have made great strides in developing and using Soviet technology. Consequently, modern technology has been popularized in industrial enterprises of our two countries, enabling them to produce commodities which are competitive on the world market. So far, the Soviet side has done a great deal of work in coordinating bilateral cooperation and partnership, and in implementing the accords that have been reached with respect to shipbuilding, construction, farm machinery, power industry, aviation, space technology, nuclear energy, pharmaceutical industry, mining, seismology, and inventions. The 1991-95 [word indistinct] plan for regional cooperation in basic theoretical research has also been expanding. The Soviet-Chinese Renovation Foundation, established in accordance with a resolution adopted by the Fourth Committee for Science and Technology Cooperation, has also started operating.

Yezhkov stressed: In general, Sino-Soviet scientific and technological cooperation has a bright future. Its vigorous development will help accomplish the mission put forward by our two governments—namely, establishing strong science and technology bases and making them the foundation of economic and social development in the USSR and China.

Li Xue, first vice minister in charge of China's State Science and Technology Commission, acknowledged the development of Soviet-Chinese scientific and technological cooperation. He said: [begin recording] For myself and my colleagues, this is our (?second) official visit to the USSR. We have long been hoping to visit your great country which has made great contributions to mankind in many areas, including the area of science and technology. We hope we can see more during our current visit. Unfortunately, the time is too short. During the last year or so since the last regular meeting, our two countries' scientific and technological cooperation has continued to develop. Basically all the resolutions adopted in the last regular meeting have been implemented. Nongovernmental cooperation relations have also been established. Certain specific cooperation programs have been drawn up. Relations of interregional cooperation has also been established step by step. Some regions have already started their cooperation projects. During the [words indistinct] period, a Soviet delegation headed by Comrade Laverov, vice premier and chairman of the State Committee for Science and Technology of your country, visited China. He and Song Jian, Chinese state councilor and minister in charge of the Science and Technology Commission, exchanged views and signed the Summary of Talks on Sino-Soviet Bilateral Scientific and Technological Cooperation. His visit has expedited the formation of a new environment and a new situation for our two countries' scientific and technological cooperation. This year, research organs of some countries have started to establish [words indistinct] cooperation with relevant departments in China's Guangdong and Tianjin. This is the continuation of Laverov's visit to China. I would like to take this opportunity to convey Comrade Song Jian's regards to Chairman Laverov. The macroclimate today is quite favorable for our two countries' scientific and technoloigical cooperation. The visit made by General Secretary Jiang Zemin of the CPC Central Committee to the Soviet Union not long ago will serve as a new impetus to our two countries' friendship and cooperation, including scientific and technological cooperation. My colleagues and myself are satisfied with the scientific and technological cooperation between our two countries in the past year or so, and we are fully confident that our cooperation will have a bright future. [end recording]

The delegation from the Chinese State Commission for Science and Technology will stay in the USSR until 18 July. Members of the delegation will visit Kiev, Minsk, and Leningrad.

Northeast Asia

Gorbachev, Japanese Envoy Discuss Bilateral Ties

LD1107155791 Moscow TASS International Service in Russian 1500 GMT 11 Jul 91

[Text] Moscow, 11 July (TASS)—USSR President Mikhail Gorbachev today met Sumio Edamura, ambassador of Japan to the USSR, and Nagao Hedo, a representative of the Japanese prime minister, who handed him a message from Prime Minister Toshiki Kaifu. They had a brief talk on the main questions touched upon in the message—on the forthcoming meeting between Mikhail Gorbachev and Toshiki Kaifu in London and on Soviet-Japanese relations in the light of the recent [words indistinct] (?visit to Japan) by the president of the USSR.

Mikhail Gorbachev [words indistinct] of relations between the USSR and Japan. What was achieved during the preparations for the visit and since the visit has opened up the possibility of moving along all the lines provided for in the documents signed in Tokyo in April.

For his part, the ambassador stated that there are good signs indicating such possibilities.

Letter on Financial Aid Delivered

OW1207032491 Tokyo KYODO in English 0035 GMT 12 Jul 91

[Text] Moscow, July 11 KYODO—Japanese Ambassador Sumio Edamura delivered a letter outlining Tokyo's ideas on financial assistance to the beleaguered Soviet economy during a brief meeting Thursday with Soviet President Mikhail Gorbachev, Japanese officials said.

The letter from Prime Minister Toshiki Kaifu called on the Kremlin to introduce fundamental market economic principles, democratize politically, and include Asia in its new diplomatic thinking.

Kaifu added in the letter he is looking forward to meeting Gorbachev next Wednesday in London after the summit meeting there of leaders from the United States, Canada, Britain, France, Germany, Italy, and Japan.

Gorbachev welcomed the letter and the meeting with Kaifu, adding he hopes efforts to improve bilateral relations will continue as they have since his April visit to Japan.

The Soviet President told Edamura and the head of the Foreign Ministry's European and Oceanian Affairs Bureau, Nagao Hyodo, that presidential aide Yevgeniy Primakov will hand the Japanese delegates in London an outline of Soviet economic reform plans July 12.

Hyodo stopped over in Moscow on his way to the London summit.

Japan To Offset Soviet Debt to Companies

LD1107091391 Moscow TASS in English 0704 GMT 11 Jul 91

[By correspondent Aleksandr Kopnov]

[Text] Tokyo July 11 TASS—The Japanese Government has decided to partially offset the Soviet Union's debt to Japanese companies to the tune of 515 million U.S. dollars. The debt accumulated as a result of a delay in payments for the supplied commodities.

As the daily YOMIURI reports today, this will be officially announced by Prime Minister Toshiki Kaifu during his forthcoming meeting with Soviet President Mikhail Gorbachev in London.

In line with this decision, a number of Japanese commercial banks will grant 200 million U.S. dollars as credit to the Soviet Vneshekonombank to pay the bills that have piled up. The Soviet side should then return the money by collecting it from those businesses and organisations on whose orders Japanese companies supplied their products to the USSR.

At the end of September last year, the newspaper recalls, the governments of the two countries had agreed to take urgent action to eliminate the then debt amounting to 414 million dollars to 15 major Japanese trading companies.

These companies now account for about 80 per cent of Japan's entire turnover in trade with the Soviet Union. However, despite the resolve, the Soviet debt grew to 515 million dollars by the end of May this year.

Such a delay in paying bills, the daily YOMIURI points out, cannot but have a negative impact on the effectiveness of the Soviet Union's foreign trade activities, which will inevitably affect its domestic economic situation as well.

This is why granting of a credit of 200 million dollars to the Soviet Union is, in the government's judgement, the best move by Japan within the framework of its approaches to relations with the USSR.

Crimea Observes Month of Solidarity With DPRK

SK1107120391 Moscow Radio Moscow in Korean 1330 GMT 4 Jul 91

[From "Various Aspects of Cooperation" program]

[Text] The traditional month of solidarity with the Korean people for the withdrawal of foreign forces from the ROK and the independent reunification of their fatherland is being observed in the Soviet Union.

The Soviet-DPRK Friendship Society and the Union of the Soviet Societies for Friendship and Cultural Relations With Foreign Countries are observing the month of solidarity in corroboration with the DPRK-Soviet Friendship Association and the DPRK Embassy in the Soviet Union. Soviet-DPRK friendship soirees, gatherings, and exhibitions on the life of the Korean people are being held. The events marking the month of solidarity are sponsored by the central chapters of the Soviet-DPRK Friendship Society and by its primary-level organizations.

Our station reporter Verzhbitskiy in Crimea reports:

A soiree recently was held at the International Club in Yalta. Soviet seamen who call at DPRK ports, representatives of social circles, foreign visitors at the Crimea Rest House, and college students attended the soiree. The participants expressed support for the Korean people's effort for reunification and noted the significance of the DPRK proposal for North-South dialogue and for turning the Korean Peninsula into a nuclear-free zone. They saw the photo exhibition "Where the Rose of Sharon Blooms" [as heard, the rose of Sharon is the South Korean national flower].

Similar events were held in other Crimean cities where there are primary-level organizations of the Soviet-DPRK Friendship Society.

During the month of solidarity, a Korean film festival will be held in Crimea and an exhibition will be held at (Arzhek), the International Juvenile Camp, of the works of DPRK students who stayed there last year.

In particular, in the port cities (?Feodosiya), Kerch, [name of other city indistinct], stevedores unloaded ships bound for the DPRK ahead of schedule during the solidarity month. By so doing, they responded to the appeal of the industrial enterprises to fulfill the fraternal country's orders. Shipped were mining equipment, color television receivers, hydraulic press, cannery automation-line equipment, welding equipment, and other machinery.

Also reported from the Crimea is the fact that 27 June was the fourth anniversary of cooperation between the sewing plants of Yevpatoriya and Sariwon of Korea. According to the agreement which is valid until 1996, Yevpatoriya seamsters are supplying material to the DPRK and Korean seamsters are supplying finished products to Crimea. As (Valeriy Cherkashy), manager of the Yevpatoriya plant, told us, this type of cooperation is mutually beneficial because it keeps the DPRK sewing plants running and helps supply clothing to a relatively deficient Soviet market.

Regrettably, however, the mutual supply was suspended this year. But, talks and negotiations made it possible to normalize the situation in the second half of the year.

During the month, the Yevpatoriya sewing plant held a solidarity gathering in support of the Korean people's effort for the peaceful reunification. The participants expressed the hope that the Korean people's aspiration the reunification of their fatherland eventually would be fulfilled. They sent a letter of congratulations to the Unha Trading Company of Korea, expressing wishes for labor success.

Near East & South Asia

Iran To Use Soviet Planes To Boost Defense

LD1107195291 Tehran IRNA in English 1729 GMT 11 Jul 91

[Text] Moscow, July 11, IRNA—Military delegations from Iran and the Soviet Union have discussed mutual cooperation and the most important issues of the region as well as the future prospects in the Persian Gulf region, Iranian Air Force Commander Brigadier General Mansour Sattari said here today.

Sattari, winding up his four-day visit to Moscow, termed Tehran-Moscow military ties as "good" and said Iran will use the Soviet-made planes in order to boost its defensive potential.

"Continuation of the contacts between the officials of the two countries can serve as a positive step in promotion of cooperation and good neighbourly relations between the two countries," he said.

Sattari, who arrived in Moscow last Sunday at the invitation of his counterpart General Shaposhnikov Ivanovich, also held talks with Defense Minister Dmitriy Yazov and Army General Moiseyvich Tretyak.

Article Reviews Policies, Problems in Afghanistan

91UF0935A Moscow KOMSOMOLSKAYA PRAVDA in Russian 29 Jun 91 p 4

[Article by special correspondent A. Vasilyev: "Why Do We Not Leave Afghanistan"]

[Text] Kabul-Moscow—*Somehow we have forgotten about Afghanistan. Rather, for us it has changed from Afghanistan to "Afghan"—a specifically Soviet concept. "Afghan" became a card in the political game between the democrats and conservatives, oversimplifying in our understanding the real situation in the real Afghanistan. But everything is not so simple there, and there is, incidentally, a war going on—a war on our borders...*

Gynecologist, Chekist...

Having removed its "limited contingent" from Afghanistan and not having violated the Geneva agreements, as before, Moscow is relying on the Najibullah regime, keeping it in power through rendering military and economic aid. There is no doubt that the Soviet Union is pursuing its own interests in this matter. For example, the Kremlin is afraid that if the opposition were to come to power, Afghanistan would apply to an international

court and demand from the Soviet Union the payment of reparations for damages caused during the time of its occupation, which would amount to billions of dollars. And if the "new thinking" is still close to our hearts, all indications are that we would have to pay.

Theoretically, it would be possible to have a situation like the one in Nuernberg. For since approximately 1986-87 the mujahidin under the leadership of Western specialists have been working to reveal the numbers of Soviet units and even the names of the commanders who participated in the combat activities so that more concrete charges can be brought. These same Western specialists have organized courses for video operators who have registered on film the damage caused by subdivisions of the "limited contingent" which are known to them.

But it would be naive to think that these are the only considerations guiding Moscow. Soviet specialists on Afghanistan assert that keeping Najibullah in power is in the interests of the Afghan people themselves.

The current president of Afghanistan responds to all demands placed against leaders in the East: A brilliant personality, he enjoys great authority even among the opposition. Najibullah is distinguished by his immense ability to work: Each day, in addition to current affairs, he has speeches and meetings with the population and foreign representatives. Having proclaimed a policy of national reconciliation, Najibullah began to devote primary attention to the traditions of the Afghan people: the People's Democratic Party of Afghanistan was renamed as the Party of the Homeland, the idea of building socialism has disappeared from political usage, and the president himself prays to Allah in public.

Najibullah is hindered by a blank spot in his own biography: Under Babrak Karmal he headed up the Ministry of State Security and certain people think that since the end of the 1970's the Afghan Chekists have killed tens of thousands of people. But Najibullah's supporters in Moscow think that he can take only part of the responsibility for these victims, and they suggest that his opponents answer this question: If not Najibullah, then who? Who will lead Afghanistan?

At the present time the armed struggle against the Najibullah regime is being waged basically by seven groupings based on the territory of Pakistan, in Peshawar. They differ in terms of national-ethnic, clan, tribal, and religious indicators and, which is very important, in terms of sources of financing. Some of them are fed by Saudi Arabia and others by Iran; several groupings were being maintained at the expense of the United States but when, during the war in the Persian Gulf, they supported Iraqi leader Saddam Husayn, the White House decided to cut off their aid.

Among the seven leaders, the leader of the Islamic Party of Afghanistan Gulbuddin Hekmatyar, called the Afghan Machiavelli, stands out. In the opinion of specialists, he is the only representative of the opposition capable of dealing with Najibullah as an equal. Incidentally, at one time they were together at Kabul University: Hekmatyar in engineering and Najibullah in gynecology (he is called doctor not only because he is respected very much but also because at one time he actually was able to treat people).

The Afghan Machiavelli

Before entering Kabul University Hekmatyar studied at the military academy, from which he was expelled for political activity. Both the former king of Afghanistan Zahir Shah and Daud, who replaced him on the throne in 1978, fought against Muslim fundamentalism, and Hekmatyar was an ardent proponent of it. It is said that at the end of the 1960's when the corrupting influence of the West reached Afghanistan and the female university students began not only to cast off their yashmaks but also to shorten their skirts, followers of the young Hekmatyar threw acid at them—in their faces and on their legs.

Hekmatyar's family was persecuted under all the regimes: Under Zahir Shah Gulbuddin was accused of murdering a communist student and was sentenced to a year and a half in prison; under Taraki and Amin his father and two brothers were decapitated. Gulbuddin's mother is still suffering from injuries she sustained in prison.

"Hekmat" means correct application of knowledge and "yar" means friend or to love. Thus "Hekmatyar" means "to love and correctly apply knowledge." And these are not simply words: The knowledge he acquired in military school was used by the Afghan Machiavelli in forming his own military detachments, which number about 175,000. He needed a profound knowledge of Islam to organize political work among the troops: Hekmatyar regularly conducts classes in ideology, Muslim philosophy, and interpretation of the Koran for the command staff of the mujahidin and the workers of the Islamic Party of Afghanistan.

As I have already said, Gulbuddin Hekmatyar is the only one of the opposition leaders who can be compared to Najibullah in terms of intellect and the art of political intrigue. But Hekmatyar's weak spot is his desire to wage a struggle for the purity of Islam, and Muslim fundamentalism has never been popular in Afghanistan.

Moreover, a considerable share of the population of Afghanistan, especially urban, is afraid that if Hekmatyar and other opposition leaders were to come to power they would drown the country in blood. For those who linked their lives to the regimes of Karmal and Najibullah and those who cooperated with Soviet troops are also people of Afghanistan: state and party workers, military servicemen, teachers, physicians, tradesmen, and their families and relatives. Many Soviet diplomats working in Kabul have told me that they are performing their moral duty to these people: Having tied them to themselves during the years since the April Revolution, we cannot simply cast them to the will of fate.

When the Soviet troops left Afghanistan, the pretext for jihad—the holy war against nonbelievers—disappeared. And the opposition began to collapse before their eyes. Now they are fighting not so much against Najibullah as among themselves. A couple of months ago a piece of news spread throughout the world: The Afghan army had fired Scud missiles at the city of Asadabad which was controlled by the mujahidin. One missile fell in the region of the bazaar: 500 were killed and thousands injured. The opposition tried to spread this information as far as possible for it showed the Najibullah regime as being against the people.

But after a certain amount of time it became clear that the mujahidin version did not correspond to reality—and the opposition itself admitted this. In fact in Asadabad there were battles between groupings of Hekmatyar and Sayyaf. Hekmatyar's men managed to blow up a munitions warehouse belonging to their opponents, which led to numerous victims among the peaceful population.

When the opposition seized the city of Kunduz, it waged a blood bath there: Men were mercilessly slaughtered, women were raped and then sold to harems; homes and shops were looted. Stories of the seizure of Kunduz immediately flew through Afghanistan, and the mujahidin did not manage to take Jalalabad: The garrison understood that in defending the city it was defending itself. At the end of March the opposition took Khowst; there was no rape or murder since the International Red Cross arrived there in time but they did not manage to prevent looting. Everything was stolen, right down to the doors and window frames since there is a great shortage of wood in Afghanistan.

Having received news like this from the regions of combat, residents of Afghanistan who were far removed from the political struggle (and they were the majority) scratched their heads: Whose side should they be on? On the one side was the opposition, from whom you could expect almost anything, above all, instability; and on the other was Doctor Najibullah, who had become an orthodox Muslim, rejected the communist rhetoric, and was providing for order in the cities.

Accepting the Unacceptable

At the present time Najibullah controls 15 percent of the territory of Afghanistan—the cities; the remaining 85 percent belongs to the opposition or independent tribes. To the credit of the present regime, it must be noted that when our 40th Army was billeted in Afghanistan the percentage ratio was approximately the same.

Najibullah's tactics consist of the following: Relying on Soviet military and economic aid and at the same time taking advantage of the backwardness of the population of Afghanistan, to keep the cities from engaging in endless and meaningless battles and to conduct negotiations with the opposition in order to create a coalition government. And at the same time Najibullah will try to keep the key domestic posts in the party: the ministries of state security, defense, internal affairs, and finance. He has agreed to allow King Zahir Shah, who has been living in Italy since 1974, to return to the country and take the throne as a figurehead.

As for the opposition, according to the information I have, every grouping, including the intransigent Hekmatyar's, is separately conducting negotiations with Kabul, since they are afraid of being too late to get their piece of the pie. And every grouping denies negotiating with Najibullah, not wanting to subject open themselves up to criticism from their "comrades-in-arms."

Contacts between Afghanistan and Pakistan are maintained at the unofficial level. According to reports from the Western media, on 13-14 April of this year in Geneva there were secret negotiations in which the Afghanis were represented by State Security Minister Ya'qubi, Presidential Assistant Tukhi, and Senator Ferdows Khan, and the Pakistanis, by Pakistani Intelligence Chief Durrani and his deputy Hamid Gol. Both Kabul and Islamabad deny that the negotiations took place.

In order to create a peaceful life in Afghanistan it is not enough to establish a dialogue among opposition leaders; it is also necessary to reach agreement with the tribal leaders and field commanders. These people, as a rule, are not interested in big-time politics. They are the authorities in their own villages, tribes, and military detachments, and the war has become a means of existence for many of them. To engage in agriculture in Afghanistan is extremely difficult and disadvantageous, and it is much simpler to rob a trade caravan and take hostages and then demand ransom for them. For centuries people in the remote regions of Afghanistan have lived according to these laws, and modernity has merely given them new "implements of labor": Instead of the rifles of the times of the Anglo-Afghani wars, they have Kalashnikovs and APC's.

The tribal and field commanders fight if not for themselves then for whomever will give them the greatest advantage: either the Najibullah regime or the opposition. Najibullah gives them money, agricultural equipment, and automatic weapons and says: Use them but you must not fight against my government but protect this road from here to here which is strategically important to me. They agree. But then a bearded peasant "from the other side" comes along, reproaches them for cooperating with "nonbelievers," and offers them more. And they leave—taking with them the money, agricultural equipment, and automatic weapons. And after a certain amount of time they may return, if Najibullah offers them more. The prices get higher because the demand exceeds the supply.

Not a single regime in Afghanistan, including that of King Zahir Shah, has controlled the interior. Laws from the Middle Ages have always been in effect there, and in principle the people have not recognized state power, regardless of which one it may be. But Zahir Shah was able to arrange things in such a way that the tribes did

not fight against the government. Najibullah wants to accomplish the same thing...

In Qandahar

Many people both in the Soviet Union and the West regard Najibullah as the only guarantee of stability in such a complicated country as Afghanistan. But still Doctor Najibullah's Chekist past may do him a disservice: Afghan specialists do not rule out the possibility that he will have to withdraw from active political life. But can the present regime put forth anyone to replace him?

When the discussion comes around to a possible successor for Najibullah, specialists usually give two names: Afghan Prime Minister Fazl Haq Khaliqyar and the president's special representative in the province of Qandahar, Nurol Haq Ulumi. I do not know the former and therefore I cannot say anything about him, but I am acquainted with the latter...

The name of Ulyumi is not associated with either the Ministry of State Security or the People's Democratic Party of Afghanistan. He is an army general, an old veteran. He has an intelligent, strong face, and he is about two meters tall. He acquired his military education in the Soviet Union and in the United States, respectively, and he speaks both Russian and English. When the general was asked which military doctrine he prefers—Soviet or American—Ulyumi responded that he prefers peace.

Ulyumi has a quality that is extremely important in Afghanistan: He is one of those people who entered the political scene as a result of the April Revolution. Ulyumi comes from a respected tribe and his grandfather was a general in that same province of Qandahar.

The name of Nurol Haq Ulumi could be heard throughout the country when he managed to make peace with the tribal and field commanders in his province. Residents of the province were fully aware of the tragedy of the war: For in 1989, 70 percent of Qandahar was destroyed by Soviet aircraft which bombed it twice by mistake. And this spring when it became known that the mujahidin intended to storm the city, its residents decided: Enough. They began to assemble in groups, and in buses, on bicycles, on donkeys, and on foot, they set out to see the field commanders in order to persuade them not to attack. The "people's diplomacy" Afghan-style worked. Ulyumi's political art played a role too. He agreed with the tribal leaders and field commanders that their people could come to the city, leaving their Kalashnikovs and Stingers at the entry points, as in a storage room. After they had rested in Qandahar they could pick up their weapons and go back to the field.

One Western journalist who visits both sides regularly—the cities controlled by Najibullah and the mujahidin—told me about his conversation with an officer in military intelligence of Pakistan, which plays a significant role in providing for the defense capability of the opposition forces. The officer complained that, in spite of great financial expenditures, Pakistani intelligence had still not managed to persuade local leaders and field commanders to fight against Ulyumi. It is no accident that when Najibullah's special representative goes through Qandahar, people kiss his hand and thank him for peace.

It is no wonder that Najibullah himself, apparently, fears the authority of his deputy. Last year he sent Ulyumi to the Soviet Union for seven months for medical treatment. But people in the know say that this was in exile, from which he had to bring the general back anyway: After all, someone had to protect Qandahar.

Our Aid

Now it is difficult to believe, but even about 20 years ago a Soviet person could travel throughout all of Afghanistan, even if it was on a bicycle. They loved our people like brothers. An illiterate shepherd knew of the science of geography, in addition to his own village, three places: Iran, Pakistan, and the "large, beautiful country of the Soviet Union with its capital of Samarkand." Local residents addressed white people as "engineer-sahib" since the first thing they thought was that they were Soviet and the "shuravi" were always building something in Afghanistan: electric power stations, power transmission lines, elevators...

The old-timers in our country say that the Afghans knew precisely where the Soviets lived, and when the "engineer-sahib" under the influence of alcohol would pass out right in the street, the entire block would carefully carry the tired "shuravi" home and turn him over to his "khanum"—his wife, that is.

If you want to see the line of people waiting in front of our embassy in Kabul to obtain exit visas to the USSR, you do not have to go to Kabul: Just go to the American Embassy in Moscow—it is the same. Not a day goes by when our consulate workers are not offered a bribe for a stamp in a passport: This is a common thing in the East. The official price is approximately $300, which is 300,000 afghanis. If one were to try to assess the moral image of the Soviet diplomat in local currency, a passport with this much money slipped into it would frequently not go through the slot under the window.

It is interesting that the wages of a colonel in the Afghan Army are about 15,000 afghanis a month and those of a minister—30,000. And here we have 300,000 just for a bribe, and then one still has to obtain a ticket. So it is advantageous for Afghani business people to go to the Soviet Union. Here it is—the living force of the market and the charm of direct economic ties!

But to be serious, 90 percent of Afghanistan's national output is provided by the private sector. A most important role is played by trade which, even under the conditions of the civil war, made it possible for Afghani shops and stores to look much more appealing than ours

do. In principle they have everything there, and at average world prices, but they are not available to the majority of the population.

But still, in spite of the policy of promoting private business, Najibullah's regime cannot get along without Soviet economic aid. There are two kinds of aid: nonreimbursable and on a credit basis.

Nonreimbursable aid amounts to 100 million rubles [R] a year plus R20 million which we send to Afghanistan within the framework of the special UN program. Afghanistan receives petroleum products (gasoline, diesel and aircraft fuel), sugar, and wheat on a nonreimbursable basis.

We grant credit to the Najibullah regime in keeping with the long-term program for economic, technical, and trade cooperation signed in 1988, which will be in effect until the year 2000. This amounts to approximately R150 million per year. It would be hard to find even one specialist who has the hope that this money will ever be returned to us.

But Soviet diplomats working in Kabul think that aid—nonreimbursable or on a so-called "credit basis"—should be continued. In the first place, because economic ties between our countries can be made to be mutually advantageous. Kabul is prepared to deliver wool, leather, karakul, vegetables, and fruits (Qandahar pomegranates, incidentally, stimulate blood circulation—the residents of Chernobyl should have them). In the second place, Afghanistan is a market in which we can sell goods that no other country needs: glass and aluminum dish ware, nails, galoshes. Remember how at the dawn of perestroyka M.S. Gorbachev threw out a phrase to the effect that the Soviet Union must become a dictator of fashion in the automotive industry? So, our dreams can come true in Afghanistan! There are about 15,000 MAZes and KamAZes and about 78,000 Volgas travelling on its roads. Local drivers have gotten used to driving our vehicles and repairmen have gotten used to repairing them. And the Afghanis are asking for more: No place else in the world would have them!

And the last and most important thing: The people who today determine Soviet policy with respect to Afghanistan think that it is our moral obligation to help this country get on its feet and gain economic independence. Especially taking into account what the 40th army did...

The Forgotten War

For Najibullah the armed forces are his main support and a constant headache. In Third World countries the army has always played or tried to play an independent role, and Afghanistan is no exception. In order to nip in the bud any "initiative" in the sphere of politics among the officer corps, it was decided to divide the armed forces into three equal parts: the Ministry of Defense, the Ministry of State Security, and the Ministry of Internal Affairs. Each ministry has its own forces, which are equally trained and armed. This is a unique kind of system of "checks and balances" in Afghan style: If the forces of one ministry rebel, the rebellion will be quelled by the forces of the other two.

That is what actually happened last year when Afghani Defense Minister Tanai attempted a coup d'etat which was put down by forces from state security and internal affairs. Were it not for the Chekists and Tsarandoy, Gulbuddin Hekmatyar would be sitting in Kabul now—for he was the one to whom Tana'i fled, taking dozens of aircraft with him. After this incident, Najibullah began to reject more resolutely all proposals from our military specialists to unite the forces of the three ministries, which would have increased the combat readiness of the Afghan army.

Another significant blow against the Najibullah regime was dealt at the end of March of this year when Khowst fell. This city, which is right on the border with Pakistan, had not so much strategic as symbolic significance. For the Kabul regime it was something like Stalingrad: Surrounded on all sides for 12 years, it withstood the siege for 12 years because of the air bridge. It was not until 1987 that the Soviet troops managed to conduct the "Magistral" operation: to take a convoy with ammunition and food to Khowst.

And then in March Khowst fell. They say that when Najibullah spoke about this on television he had tears in his eyes. This circumstance confused many Afghans: The president was much more restrained when the mujahidin took Kunduz and carried out a slaughter there. Since representatives of the International Red Cross arrived in Khowst in time, there was no slaughter there—just looting. But as for Najibullah, here is the thing: He and many of his comrades are from the province of Paktika in which Khowst is located.

There are several versions of why Khowst fell. They say, for example, that the mujahidin managed to reach an agreement among themselves for the time being, and then with the leaders of the neutral tribes, who opened up the road to the city for them. They say that at this moment the weather turned bad unexpectedly, and in Khowst it was impossible to get hold of ammunition in time.

But, according to the information I have, the main reason for the fall of Khowst was betrayal by Najibullah's representatives who had been sent there to take charge of the defense. And, as I found out while I was still in Moscow, intelligence channels had revealed information about the possibility of betrayal to the Soviets beforehand, and they notified Najibullah of this. And even the 53d Division, sent there at the last minute under the command of the legendary General Dustum, whom some of our specialists call the "Afghan Chapayev," could not save the day.

The most interesting thing is that the representatives of the Kabul regime in Khowst returned to the capital in one piece and unharmed... through Pakistani territory. Their regalia and their offices were not returned to them.

but they were not punished either. A great fuss was raised about this in the home party ranks, and Najibullah was criticized harshly. But still no measures were taken. All this shows once again how complicated Najibullah's situation is...

Now the mujahidin intend to storm Gardez, and if Gardez falls the road to Kabul is open. But, as our specialists assert, they cannot take Kabul, and the guarantee of that is Soviet military aid.

The Afghan army does not have sufficient forces to conduct offensive operations. Therefore Najibullah's military strategy calls for merely holding the cities, controlling the main roads, and conducting air and artillery strikes on positions of the mujahidin—more precisely, those who do not wish to engage in peace negotiations. Afghanistan's problem cannot be solved through military means; peace on the 85 percent of the territory not controlled by the regime can be provided only with the help of a political process.

Najibullah is working steadily in this direction, but he needs Soviet tanks, aircraft, shells, and missiles in order to keep the cities. And Moscow is giving him all this.

There are now 40 military advisers or, rather, military specialists in Afghanistan. Here is the difference: An adviser participates in the leadership of the combat activities and a specialist checks on correct use of military equipment and sometimes participates in the planning of operations in which the equipment is used.

What is bothering our military representatives? In the first place, the technical illiteracy of the junior personnel of the Afghan Army: mechanic-drivers, gun layers, and so forth. In Mazar-e Sharif, for example, the airfield and nitrogen plant were guarded by the Soviet Pechora complex, to which two of our specialists were assigned, and it cannot function without them. The Afghanis asked that the specialists be returned.

In the second place, the Soviet side is bothered by the low level of intellectual development and physical health of the military servicemen. Last autumn in Kabul a medical commission came from the Soviet Union and was to have selected 60 candidates to study in our flight schools. Out of more than 2,500 people 53 were passed by the medical commission; the rest were either ill or illiterate.

In the third place, our military specialists cannot get used to the idea that the field commanders and tribes fight first for Najibullah and then for the opposition. There is no doubt that the Afghanis have a concept of male honor, but being faithful to one's oath clearly does not fall in the category of virtues. War in Afghanistan is business, and such "nomads" make a living from "middleman operations." For example, Kalashnikovs cost $250. And in Qandahar I was shown a Stinger which the mujahidin had sold... to representatives of Najibullah's regime for $5,000.

Our Men Held Captive

It is impossible to skip over this problem, the more so since the view of it held by Soviet diplomats in Kabul is considerably different from the viewpoint that prevails in the Union.

Officially, the problem of Soviet and Afghan prisoners of war is being handled by an interdepartmental commission headed by Afghan Minister of State Security Ya'qubi, but actually it is the Ministry of State Security in cooperation with authorized Soviet organs. Both sides think that it is unrealistic to speak now about the more than 300 Soviet military servicemen who remain in captivity: Some of them have been moved to Pakistan, some to the West. In their opinion, they can discuss only three or four dozen, of whom 18 have been identified—their names and locations have been established and communications are maintained with them.

How is this done? First, intelligence through its agency finds out that "shuravi" are being kept in one or another tribe, detachment, or village. After this, through the agency they study the object and the situation surrounding him "blindly," that is, to put it bluntly, he does not know that he is being studied. This is done in order to be convinced that one can reveal oneself to this person. They were too hasty with one of them and he went and told everything to his detachment commander; the Ministry of State Security agent who had brought the "shuravi" a letter from his mother was immediately shot.

When it is clear that the person is reliable, a messenger makes personal contact with him and they start meetings, conversations, and the delivery of letters from relatives, copies of the order for pardon, and a letter of guarantee from the USSR ambassador in Afghanistan, B.N. Pastukhov. All this is also secret. Last year, when Ilyas Saatov was taken out, somehow there was an information leak. They almost shot the boy—he fled.

Sometimes they work on the commanders at the same time: They too are studied "blindly," contact is made with them, and they are persuaded to let the prisoners go with the promise that mujahidin will also be released, and also that they will be paid. And Najibullah is not stingy here: For one of ours they give up to 100 mujahidin and also a very large amount of money.

In the words of the Soviet diplomats, the main problem with the 18 we know about is that not a single one of them... wants to return. Practically all of them have accepted Islam, they do not trust the Soviet Union, and they do not believe in the order for pardon either, and if they do believe it, they look to the future: They will not be returned to the USSR in general but to a specific city or village and a specific collective. And there—one person might have been maimed in Afghanistan, others may have lost their son, and here this person "sat it out" in captivity and nobody knows what he did there. People are people, and one can understand why they do what they do.

But here, in "captivity" the "shuravi" is frequently a respected person: He can repair a tractor and in general can do a lot of things. One of our people there has his own truck: He earns fairly good money and goes wherever he wants to. Some had started families: He could perhaps return but what about his wife and children? And you cannot take them with you—the village will not let them go.

And one fellow has a special story. He is Turkmen and fell in love with the daughter of the leader of the Pashtun tribe; but a Pashtun would never let his daughter marry a Turkmen! Such is life. They spoke with him and he does not want to return. They convinced the leader and he was willing to let him go. Moreover, in a Kabul prison they found six mujahidin from this same village who had 15 or 20 years left to serve. They took a videotape of them and played it for the leader and the elders. They said: Take the "shuravi" and give us back our people. But the "shuravi" does not want to go! And here such a concept as "Pashtun-volay" comes into play: A Pashtun may not drive a guest away if he does not want to leave.

Our people still try to take those who do not want to leave to Kabul. Within the walls of the Soviet Embassy they must officially declare that they do not wish to return to the Soviet Union: Then they are no longer considered prisoners of war and no more work is done with them.

When the campaign began in the Soviet Union for the release of Soviet prisoners of war, in the words of our diplomats, that merely stirred things up. The mujahidin immediately sensed which way the wind was blowing and understood which trump cards they held in their hands. While previously it was necessary to reach an agreement with the senior people or field commanders, now the opposition leaders entrenched in Pakistan laid their paw on the "shuravi." They gave orders to step up the surveillance of the prisoners, not to release them without their permission, and some of them they simply transferred to their own camp in Peshawar. The groupings began to trade in prisoners: After all, later they could be sold in Kabul or Moscow or they could be used for their own political games. Moreover, the Peshawar opposition sensed that by exerting pressure on public opinion in the Soviet Union it could influence Kremlin policy regarding the Najibullah regime.

None of this makes our diplomats in Kabul very happy. And they are especially disturbed by the fact that some people in our country are gaining political and public favor from this, actually taking advantage of the results of someone else's work—work which takes a great deal of time, energy, and financial means, and, the main thing—lives: For the middlemen and agents of the Ministry of State Security die from time to time...

Yet the prices for "shuravi" are increasing. Now the mujahidin are asking $18,000-20,000 for one Soviet. People are saying that a special hard currency fund is being created in the governmental structures in Moscow. But, you will agree, the money should be held not by the bureaucrats in Moscow but by the specialists in Kabul: For the question of release must be decided in a day or two, and if there is delay—the person goes back to the mountains. And next time they will ask more...

Iraqi CP Official Cited on Saddam's Regime

91UF0970A Moscow IZVESTIYA in Russian 6 Jul 91 Union Edition p 5

[Interview with Iraqi communist Fakhri Karim, member of the Iraqi Communist Party Central Committee Politburo, by correspondent M. Kozhevnikov in Damascus; date not given: "Emphasis on Terror, as Before"]

[Text] What is happening currently in Iraq? Is it possible to speak of the "phenomenon" of the Saddam Husayn regime, which, despite the military defeat, continues to hold on to power? I put these questions to Fakhri Karim, member of the Iraqi Communist Party Central Committee Politburo, who received me in Damascus.

Instability, destruction, the most acute contradictions and social tension—such is Iraq today, F. Karim said. "The regime is managing to control the situation as yet, and not everywhere even so, only with the help of military force, terror, and repression. Fear of the authorities, which for many years permeated all strata of Iraqi society, is gradually evaporating. The dramatic lessons of the past have not been without trace for the Iraqis. Many of them are beginning to realize that the policy of the Ba'th regime has brought the country to a dead end and condemned it to surrender to outside forces. And such a mood is typical currently not only of the poor but also the army, which was the main casualty of the adventure involving the seizure and occupation of Kuwait. Is there a way out of this dead end, you ask. Yes, there is. I am convinced that the Iraqi people are capable of overcoming even this severe crisis, but on the obligatory condition that Saddam Husayn be removed from power immediately...."

[Kozhevnikov] Can Baghdad officials' promises to implement democratic reforms be believed, in your view?

[Karim] I and my comrades have made a very close study of the essence of the ruling regime in Iraq and do not believe its pious intentions. Having perceived the serious danger for his dictatorship, Saddam is resorting to maneuvers and political subterfuge. This is nothing new to us. The Ba'thists have repeatedly "fed" the Iraqis promises of a new constitution, general elections, and an amnesty for political prisoners. They have all remained unfulfilled, and the regime has continued meanwhile the plan-oriented destruction of its opponents inside the country.

What kind of "democracy" has Saddam offered us this time? The answer to this question could be the term "revolutionary tent," which he invented personally, by which is meant contemporary Iraqi society. As Saddam

Husayn conceives of it, anyone who wishes to engage in political activity may enter the "tent" put up by the Ba'thist regime. But the latter is permissible only inside the "tent" and under the strict supervision of its owners. Such is the "supervised democracy" which Saddam Husayn wants to impose on the Iraqi people.

And, further, following the war in the Gulf, the international community has categorically demanded of Baghdad the total elimination of its existing weapons of mass destruction and their delivery systems. But this is manifestly insufficient. In order to cut the ground from beneath the feet of the ruling regime in Iraq it is necessary to also do away with the machinery of repression, which is its principal support.

[Kozhevnikov] Your attitude toward the negotiations which the leaders of the Kurdish opposition are conducting in Baghdad?

[Karim] As I have already said, we Iraqi communists do not believe in the sincerity of the demagogic statements of Saddam Husayn. A principal aim of the regime today is to split the bloc of opposition forces and in this case sow disagreements between the Kurdish liberation movement and other opposition parties and groupings....

Diplomat Surprised at Iraq Nuclear Capability

OW1207051991 Moscow INTERFAX in English 1200 GMT 11 Jul 91

["Diplomatic Panorama" report by diplomatic correspondent Petr Vasilyev: "Could Nuclear Arms Fall into Saddam's Hands?"; transmitted via KYODO]

[Text] "Secret nuclear programmes in Iraq took us completely unawares," commented a high-ranking Soviet diplomat who wished to remain anonymous. "The Soviet Foreign Ministry," he said, "is expecting the conclusions by UN experts after a careful investigation into Iraqi attempts to use nuclear energy for military purposes."

The diplomat confessed that "the Soviet Union had suspected for some time that Iraq was trying, in secret from the world community and the International Atomic Energy Agency, to develop nuclear arms, but it was not timely confirmed," though, he went on, "further events bore out our, as well as American, suspicions."

It is impossible yet to assert if research was conducted for military purposes—says the diplomat. "We should wait for the conclusions by the UN experts." It is true, he conceded, that "all operations enriching uranium, such as went on in Iraq in deep secrecy, are mostly linked with the military. And the secrecy also points to Baghdad's desire to obtain nuclear arms." Faced with imminent exposal, the Iraqi authorities had to reveal information on their nuclear programmes carried out since 1981.

Claims on Iraq are based on its crude violation of the non-proliferation treaty under which it was obliged to notify the International Atomic Energy Agency of any nuclear research programmes. Iraq has turned out to have two more secret programmes enriching uranium besides the one it made public. "This is a complete surprise to us," assured the diplomat.

The Soviet Union had for some time to do with the public nuclear programme in Iraq. The programme had been announced from the start and was carried out for peaceful purposes.

The diplomat recalled that in the late 1970s the Soviet Union helped Iraq to assemble and start a small nuclear reactor meant exclusively for research, completely insufficient for military or industrial purposes. Some time later, Iraq made an agreement with France on building a more powerful 80 million megavolt reactor, also for research, near Baghdad. That was destroyed by an Israeli air raid in 1981, whereas two smaller reactors—one Soviet and another French—were spared, as well as the nuclear fuel for the big reactor.

In the words of the Soviet diplomat, "The facilities were carefully inspected, the fuel was controlled by the International Atomic Energy Agency and couldn't be used for any purposes except research." But, as it turns out, there were parallel secret developments.

The Soviet position is now this: "We intend to express our regret that Iraq was concealing the information and blocking objective inspection."

The UN Security Council is expected to pass a resolution on Iraq based on the expert conclusions. The Soviet diplomat thinks the question will be discussed within a week or 10 days.

The Soviet Union will strictly abide by the Security Council's resolutions and expect others to do so, to safeguard the unity of the council's permanent members. "There's no question that the Soviet Union may depart from that policy for any reason," assured the diplomat.

The question is if the Soviet Union would support the United States should it bomb the nuclear installations in Iraq. But, said the diplomat, such actions by the United States or any member of the anti-Saddam coalition is highly suppositional. "Before all other methods are exhausted there's no talk of such actions," he concluded.

Sub-Saharan Africa

RSA Interests Mission Head Comments on Ties

LD1107122391 Moscow TASS International Service in Russian 1040 GMT 11 Jul 91

[By diplomatic correspondent Sergey Nikishov]

[Text] Moscow 11 Jul (TASS)—"The government of Frederik de Klerk is of the conviction that considerable changes for the better, away from confrontation, have occurred in the USSR's policy with regard to South

Africa." This point of view was expressed today in an interview with a TASS correspondent by Gerrit Olivier, head of the Republic of South Africa [RSA] interests mission, which is part of the Austrian Embassy in Moscow. He has started work as the official representative of the South African Government in the Soviet Union.

The accord on the exchange of missions of interests at the Austrian embassies in Moscow and Pretoria was reached by the USSR and the RSA at the beginning of this year. This does not, however, mean that diplomatic or consular relations have been established between the two countries. According to Gerrit Olivier, he sees one of his main tasks as "getting rid of the negative ideas that have accumulated about one another over the long years, and giving Soviet people a more balanced picture of events in South Africa."

The head of the RSA interests mission believes that there is much that is similar in the events occurring at the present time in South Africa and the countries of Eastern Europe, in particular, in the USSR. In his opinion, a small group of people in all of them have occupied the dominating place in society for a long time. Now events are rapidly developing in the direction of true democracy and pluralism of opinions. The democratic transformations in the East European countries, Gerrit Olivier stressed, "have helped to speed up the process of eliminating the system of apartheid in South Africa."

Of late, ideas on the intentions and strivings of the Soviet Union in the south of Africa have been radically changing in the RSA, its official representative noted. The image of the USSR as an enemy is becoming a thing of the past, the stereotypes regarding the danger of "a communist invasion" are being dispelled. This is being facilitated in particular by the constructive participation of the USSR in settling the situation in Namibia and Angola.

Interest in events in the Soviet Union is growing among South Africans, there is a striving to learn more about the history and culture of Russia. "I myself never stop being delighted by the talent of such great Russian writers as Tolstoy, Dostoyevskiy, and Pushkin," Gerrit Olivier said. In this connection he welcomed the setting up in June this year of the Soviet Union-South Africa Society, which will, in his opinion, promote the development of many-sided contacts between the two countries.

The head of the interests mission expressed doubt regarding a possible sharp increase in the number of emigrants leaving the Soviet Union for the RSA, which has "sufficiently strict" immigration legislation.

Commentary Notes Lifting Sanctions on S. Africa

LD1107135891 Moscow Radio Moscow World Service in English 1210 GMT 11 Jul 91

[Commentary by Station Commentator Vladislav Chernukha]

[Excerpts] Now the views of our commentator Vladislav Chernukha on Washington lifting its economic sanctions against South Africa:

[Chernukha] Together with other countries the United States imposed sanctions five years ago to force Pretoria to abolish racial discrimination. Many positive changes have taken place in South Africa since then. But to be more precise it happened in 1989 when Frederick de Klerk stood at the head of the ruling National Party, the Government and the state, and the existence of political prisoners in South Africa remained the only obstacle for Washington to lift the economic sanctions against Pretoria.

The South African Government recently declared they were all released. But the African National Congress [ANC] of South Africa said that about 900 persons are still in jail for their political convictions. The Government said they were criminals. The Bush administration accepted Pretoria's reasons and lifted economic sanctions. [passage omitted: EC earlier decided to relax boycott; Japan to cancel economic sanctions; protests against these decisions noted; Washington's decision denounced some South African organizations]

The ANC leaders called the decision premature because not all political prisoners are yet released and political and ethnic violence still continues. The opponents of sanctions also say that actually apartheid still exists, that the African majority has no right to vote, and that the process of abolishing racial segregation has not yet become irreversible.

Of course, there is truth in that, but the following reason should also be taken into account: the de Klerk government has convinced everybody by its concrete deeds that it is not going to divert from the course aimed at abolishing apartheid and building a democratic nonracial state.

And another thing is important: the de Klerk government is a stable government, it can fulfil its program. And the early lifting of the international economic sanctions might therefore favorably affect the further positive developments in South Africa. But this is my personal view.

Up until now the position of the Soviet Government was that sanctions against South Africa might be cancelled after the process of dismantling apartheid became really irreversible.

Kaunda Views South African, Soviet Changes

91UF0969A Moscow NOVOYE VREMYA in Russian No 24, Jun 91 pp 20-22

[Interview with Kenneth Kaunda by Aleksandr Pumpyanskiy, chief editor of NOVOYE VREMYA, in Lusaka; date not given: "Kenneth Kaunda: I Am a Very Fortunate, Perplexed Individual"]

[Excerpts] **Politicians on whom he bestows his blessing he invites to a game of golf, and he usually wins. Others, journalists included, get invited to breakfast in the presidential palace at 7:30 in the morning. He himself is a vegetarian. A smart figure in a light-colored suit of original cut—something between a Mao Zedong outfit and the attire of a British aristocrat on safari. In his left hand a lily-white handkerchief—a classical sign of cleanliness and peaceability. The first prime minister of independent Zambia and its continuous president, leader of the governing party, which until recently was the only party, and a patriarch of the all-Africa struggle for independence, the 67-year- old Kenneth David Kaunda speaks about de Klerk and Gorbachev, the vicissitudes of the struggle, the burdens of life and the burden of power. And, for the first time, according to him, this candidly about socialism and capitalism.**

[Pumpyanskiy]. I would like to ask you several questions about the situation which has taken shape in southern Africa and in the Republic of South Africa. Tremendous, dramatic changes are occurring in this part of the world. Events in South Africa are developing rapidly. South African forces have been withdrawn from Angola. Namibia has been decolonized, interference in Mozambique's internal affairs has ended, and there is a marked aspiration on the part of the South African leadership to establish partner relations with other states. What do you think about the very concept "front-line states": Is it not out of date?

[Kaunda] I would like to say to you first of all: Welcome to Zambia!

[Pumpyanskiy] Thank you.

[Kaunda] The events which are occurring currently in South Africa and in southern Africa as a whole are the aggregate result of the efforts of the most diverse forces. Primarily the decisive actions of the people of South Africa themselves: Africans, natives of Asia, mulattos, so-called coloreds, and liberal whites. Neither can we forget one principal factor, perhaps. We received support from the most varied parts of the world. We should in this context cite the role of the Organization of African Unity (OAU), in which the "front-line states" are represented by a subcommittee. Mention should be made also of the consistent efforts of your country—the Soviet Union—and its assistance at the time when armed struggle was being conducted. No Western state supported the armed struggle of Africans in South Africa, Namibia, Mozambique, Angola, and certain other countries. At the same time we will never forget the efforts of many liberal figures and members of governments of a number of Western countries. We remember the support rendered us by many international organizations headed by the United Nations.

We should add to the actions of the above-mentioned forces the appearance on the political scene of de Klerk, who has become the central figure in the entire process. We have reached the stage of consolidation of the liberation struggle and have, perhaps, approached its conclusion. And then the "front-line states" concept also will be exhausted inasmuch as the sole purpose of the "front-line states" was the cohesion of the people's masses of our region as a whole and of South Africa in particular. Further efforts are still required, but I believe that next year or somewhat later the concept of "front-line states" as such will simply disappear. Our region will become an arena of multilateral cooperation: political and economic and in the social and cultural spheres. This is how I see events developing. The "front-line" status of our states will shortly end, and we can only rejoice at this.

[Pumpyanskiy] You have mentioned the personal role of de Klerk. You were, I believe, the first to meet him halfway, for which you were criticized, if I am not mistaken, by your African colleagues. Was this foresight? What did you think at that time and what do you think now in this connection? How do you conceive of a dialogue with South Africa?

[Kaunda] Since you have reminded me of the criticism of me, I will permit myself to address the past, the actual background to the events. I made the first serious attempt to establish contact with the leaders of South Africa in 1974, when I sent a message to the now deceased South African Premier, Vorster. I achieved a good deal at the meeting which was held. I managed to win the release from long-term imprisonment of Robert Mugabe, Joshua Nkomo, and other comrades. As far as the independence of the peoples of Southern Africa is concerned, we came to no understanding whatever, unless you count the mutual agreement to find a peaceful solution for Zimbabwe, which was at that time called Southern Rhodesia.

I also met with Peter Botha, who had resigned the presidency, and also set before him my invariable position. Yes, truly, my colleagues criticized me. But my conscience is clear: I met with the leaders of South Africa not to gain some advantages for Zambia. My purpose was always to assist the struggle against apartheid. Before God my conscience is clear, and I have nothing to be ashamed of.

Now about de Klerk. Meeting with him on the Victoria Falls Bridge, I have to say that I was quite abrupt. I told him: "I have come to see you to form an impression of you and to get to know the kind of person you are—the messiah we have been waiting for or another president and ruler." He heard me out calmly and, smiling, said: "Mr President! I would rather be Moses than Jesus." We all broke into smiles, and the tension vanished. After serious discussion, we held a joint news conference. I said of him to the representatives of the press: "I believe in this man's honesty and sincerity, and, acting hand in hand with him, we could put an end to apartheid."

I recall my meeting with Comrade Gorbachev in 1987. Zambia had assumed the chairmanship of the OAU at

that time, and I had just paid a call on President Reagan. Gorbachev told me that we should resolve our problems peacefully. I asked him doubtfully: "You mean the situation in southern Africa?" "Yes," he replied. I had big doubts, but on this occasion I was mistaken. Gorbachev said: "We will help you achieve your goal." But my doubts persisted. As you understand, several southern African leaders had already criticized me, and I was not fully sure that Gorbachev was right. But he was. It was he who broke down the barriers between East and West and removed the fear of the Soviet Union which had reigned in the minds of Western leaders. It was he who laid the bridge between East and West, and this bridge helped change the situation in South Africa. The United States and the Soviet Union became partners in the cause of eliminating apartheid. This is why we readily supported the idea of renunciation of the armed struggle.

But to return to our subject. When we speak of the elimination of apartheid, we must not forget the problems created by the Africans themselves. Apartheid has split our society. The struggle between different African communities testifies to the depth of the contradictions which have arisen. And it could be that these contradictions will prove more difficult to overcome than those between the black and white population. Those who are prepared to help us in create a new situation in southern Africa should remember this specific problem, namely, the split among Africans themselves. Unless this problem is kept under control, it could exert a disastrous influence on neighboring countries. It is sufficient to look at a demographic map to recall that representatives of the same ethnic groups live in Swaziland, in Lesotho, and in Zimbabwe. And complex ethnic discord could spread from South Africa to other countries. Those of us in our region who would like to obtain the assistance of the great powers of East and West should not forget this problem.

[Pumpyanskiy] You have formed very good relations with the African National Congress [ANC]. The headquarters of this organization has been in Lusaka for many years. Do you not think that the ANC has been leaning toward an unduly hard-line position lately?

[Kaunda] Yes and no. Yes, it is displaying a hard line, sometimes excessively so in respect of President de Klerk. No, if it is recalled that the ANC is heading the struggle of the masses of Africans at large for liberation from many centuries of slavery. In this situation it is very difficult to adhere to a balanced position.

Just imagine: You have almost reached home, but between you and home lies a deep chasm, and you have to build a bridge across it. In addition, you need support from your followers, from the people's masses at large, but the understanding of the white population also. But it is divided into two camps to a considerable extent—progressives, who are headed by President de Klerk, and conservatives, who are very influential in the Armed Forces. For this reason the ANC cannot permit itself to be either too complaisant or too hard-line. Knowing how to occupy a well-balanced position is a difficult business. I believe that the ANC is doing a tremendous job under extremely difficult conditions.

[Pumpyanskiy] You have met with such African leaders as Buthelezi, Tutu, and others. How you do assess the process of national reconciliation in South Africa? What is your formula for compromise?

[Kaunda] To whom do you refer: blacks and whites? Or blacks and blacks?

[Pumpyanskiy] Both.

[Kaunda] The situation in South Africa has produced from among the African people a whole constellation of the most capable leaders of a national and world scale. I refer to many leaders of the ANC, who are no longer with us. I am also speaking about Oliver Tambo, Nelson Mandela, and Walter Sisulu. I am speaking about Buthelezi, about Archbishop Tutu. We should afford them an opportunity to build bridges in this situation. We therefore warmly welcomed the meetings of representatives of the ANC and Inkatha (the party headed by Buthelezi. In South Africa's national liberation movement the main opponent of the ANC. It enjoys the support of the Zulu people, as distinct from the ANC, which is popular among the Xhosa people—ed.). We held this position a couple of years back and now, when Nelson Mandela has been released, we continue to call on them not to break off these meetings. I am sure that their meetings will bear fruit, although we do not always agree with what these leaders say. I believe that there is no way toward the goal other than negotiations. The ANC and the Pan African Congress (the PAC—an organization uniting part of South Africa's black population and operating from extreme positions—ed.) signed a joint declaration, which was an important contribution to the policy of bridge-building about which I spoke earlier. Conditions making it possible to find a way out of the current situation are beginning to take shape. For us such a way out means negotiations and joint struggle for the elimination of apartheid. This is the sole path capable of producing results.

[Pumpyanskiy] I would like to ask you a more general question concerning the situation in Africa and its historical path inasmuch as you are a founding father of African independence. Thirty years ago the world was commemorating Africa Year. Has everything been done correctly in the past 30 years? If you had an opportunity to change something in the past, what would you change?

We in our country may at times hear the following kind of talk: Democracy is all very well, but the people are not ready for it. Even if the right road has been chosen, this does not mean that it will be strewn with roses. Nonetheless, what are the results of the processes which began 30 years ago? Are they what the founding fathers of African independence dreamed of?

[Kaunda] It was impossible to change what I would like to change. I would like to change the situation which led to the continent's division into colonial possessions. The forces of colonialism, against which we rose up, had their roots in the far-off times of the slave trade. The young states which emerged on the continent were so fragile that the least disturbance of the balance led to interethnic conflicts. There was, fortunately, at least one mistake we did not make. Our founding fathers were wise and warned us against encroaching on the old colonial borders. We were forced to leave these borders untouched for had we attempted to alter them, this would have led to fratricidal wars, which is what in fact happened when such attempts were made.

So, what might I have changed? Looking into the past, I can say: very little, almost nothing, because we were influenced by forces beyond our control. At the height of the East-West struggle we could not dispose even of our own independence. We had to follow either East or West. If you followed the East, you were considered an enemy of the West, and vice versa. This applied even to those who were sincerely devoted to the ideas of nonalignment.

As far as the movement for independence is concerned, I do not believe that we could have done anything better than we did and are continuing to do now. Take if only Zambia's active participation in the settlement of the situation in Angola, Mozambique, Zimbabwe, and Namibia, and in South Africa even. In each of these countries we called for the formation of a government of national unity. Where our colleagues followed our humble advice, relative peace has come to reign; where it was rejected, civil war began. I fear, therefore, that we could not have given our colleagues any better advice than to strengthen national unity.

[Pumpyanskiy] One further question of a political-philosophical nature. The very concept of "socialism" is currently being carefully studied in our country. Critics maintain that socialism is a system which suits rulers more than the people. That socialism, as distinct from capitalism, does not provide for efficient production. What do you think about the actual concept of "socialism"?

[Kaunda] I believe that this is now the most fundamental question for all world development.

"Socialism as against capitalism"—this is usually how the issue is framed. It is, I confess, the first time I have spoken on this score, although I have given this subject much thought, particularly of late. Capitalism is a mode of production. And as a mode of production it is right. What is not right is the mode of distribution, on what income is spent. I reject the logic where the rich get richer at the expense of the poor. In other words, the capitalists have taught us certain lessons which we still have to assimilate for, after all, the mode of production of which they avail themselves has beneath it a scientific foundation. Socialism, on the other hand, should be evaluated by that on which the income is spent.

[Pumpyanskiy] And the final question, perhaps. Our countries are in many respects totally dissimilar. Nonetheless, could you not compare the situation in our countries?

[Kaunda] I would say that there is much in common between your country and mine. Far-reaching changes are occurring in both countries. These are fortunate changes, changes for the better. But this by no means signifies that they are taking place easily. I am sure you know how highly we value Gorbachev and what respect and love we have for him. I consider him a great man, a true giant. A man of the East, a man of the West, a man of the North, a man of the South—such is Gorbachev. But changing the system in such a country as the Soviet Union is a difficult business. At the end of my talks with Gorbachev I said that I would pray for him.

We want the Soviet Union to stay together and remain a united state. The world cannot allow it to disintegrate. The world—today, tomorrow and always—needs a united Soviet Union.

As far as Zambia is concerned, we are currently experiencing a period of very painful changes. We have adopted extraordinarily important decisions, and I may proudly say that the UNIP [United National Independence Party], which I have the honor to lead, takes the credit for implementation of the reforms. Ahead lies the referendum (on the issue of introducing a multiparty system—ed.). We realize that the changes have to be decisive, rapid, and necessarily peaceful.

Yes, the UNIP today has a tiger by the tail because of the most serious economic problems which have come crashing down on our country owing to circumstances beyond our control. Indeed, the price of oil is rising, but we are not producers. This is reflected in the entire economy of our country. What can be done here? Nothing, absolutely nothing. For a ton of copper, which we export, 10 to 12 years ago we could have purchased a tractor, but this now requires 8 tons of copper. Production costs have not declined, however. As a result we are obtaining less and less money per ton of copper. And no miracle will help here. Yes, we need help. And we need something else also, namely, an increase in the price of our product.

I would like in conclusion to say the following. Yes, we have much in common. Fundamental changes, which will bring us success, are occurring in our countries. We are implementing serious political and economic reforms and ask: Pray for us! Together we will be victorious.

East Europe

Two Views of Yugoslavia's Future

91UF0972A Moscow NEZAVISIMAYA GAZETA in Russian 2 Jul 91 pp 1-2

[Contrast of opinions: "Will Yugoslavia Become a New Lebanon?"]

[Text]

Pavel Felgengauer: "A Quick End to the Conflict Is Not Anticipated"

The course of combat operations in the first days of the armed conflict in Slovenia proved such a surprise that we can even now speak about a sensation: the Yugoslav People's Army (YPA) fights extremely ineffectively, which could, in turn, lead to a stabilization of the situation in the form of a position civil war per the Lebanese model.

Since the end of the 1940's Yugoslavia had been preparing to repel a Soviet invasion, and, correspondingly, the armed forces were structured in accordance with the two-levels principle: a federal Army (YPA) and local territorial defense forces, which were to have offered resistance to Soviet tanks and motorized infantry "in every village and every ravine" when the regular army had been smashed by the superior forces of the enemy. Now, it seems, the armored units of the YPA have themselves fallen into the trap which they had prepared for others.

When, following the proclamation on 26 June of the independence of Croatia and Slovenia, YPA units embarked, on 27 June, on fulfillment of the instruction of Ante Markovic, head of the federal government, "Take control of the state border on Slovenian territory," experts believed that the Army would cope with the mission quite quickly and that, after military control had been established in Slovenia, it could undertake the "pacification" of the larger Croatia, whose armed forces are more numerous than those of the Slovenes also. The YPA command evidently expected that the lightly armed Slovenian territorial forces and police would shun a serious clash with armored units and that the requisite educative effect would be achieved without particular effort and bloodshed. But this mission has yet to be accomplished. The armored YPA columns which had moved up to the numerous checkpoints were blocked and in many instances cut off from their supply depots. Western correspondents in Austria maintain that the 18- and 19-year-old conscripts, who in fact constitute the YPA units which moved up to the border, are physically and morally exhausted and almost demoralized by the difficulties with supplies, the uncertainty of the situation, and the hostility of the local Slovenian population. There are reports that in one or two cases small YPA units were smashed and taken prisoner. The YPA command has lost control of the situation and is in certain cases losing direction and leadership of the troops. The unsystematic and pointless (not to say panic) bombing of civilian airports near Ljubljana and Maribor began on 28 June. Traffic jams which had formed near concealed checkpoints were attacked also—uninvolved citizens, foreigners included, died.

Of course, in the course of a war civilian airports are usually attacked inasmuch as they could be used for military purposes. But in one's own country? When it is known that the Slovenians have no combat aircraft?

Panic had set in in the top Belgrade leadership, seemingly. A cease-fire was announced, but the clashes continued. An EEC mission—the foreign ministers of Italy, Luxembourg and Holland—arrived in Yugoslavia on 28 June. Once again a cease-fire, the withdrawal of the forces to barracks and a three-month moratorium on practical measures pertaining to implementation of the declarations on the independence of Slovenia and Croatia were announced as the result of the European mediation. Serbia agreed to support the election of Croatian representative Stipe Mesic to the office of federal president (there has been no formal head of state in Yugoslavia for six weeks now). But it shortly after transpired that the parties to the Yugoslav conflict interpreted this agreement quite differently. The atmosphere heated up once more. In the evening of 29 May the YPA command (General M. Nehovanovic) demanded the immediate demobilization of the Slovenian territorial defense forces, threatening otherwise "decisive action."

Desperate attempts to find a diplomatic way out of the situation continued on the last day of June. The "trio" of EEC ministers once again set off for Yugoslavia (the EEC had threatened to suspend economic assistance to Yugoslavia unless the proposed settlement plan were accepted). Federal Premier Ante Markovic conducted negotiations in Ljubljana, and meetings and consultations in Belgrade went on nonstop. Slovenian television reported that an agreement had been concluded with Ante Markovic on the withdrawal of YPA units to barracks. And, finally, in the evening of 1 July representatives of the republics confirmed Stipe Mesic as federal president for a six-month term.

But, unfortunately, the diplomatic efforts could come to nought. The YPA is not participating in the negotiations, and the Army in Yugoslavia is not all that subordinate to the civil authorities. The YPA has no pullback position: Unless Slovenia is put down in very short order, the single Army on whose basis Marshal Tito formerly created the Yugoslav Socialist Federation will begin to come apart. Preparation of the operation will take a certain time, but a new offensive seems inevitable—the fate of the Army is at stake, and only force (or the threat of force), not diplomacy, can stop the generals.

The inadequate training and low combat morale demonstrated by the YPA units in the first days of the fighting and, particularly, the manifest professional helplessness of the top command staff could lead to the YPA failing

to achieve a swift and obvious military victory. There is every reason to believe that the same situation as in Lebanon is taking shape in Yugoslavia: an "unhurried," position civil war, in which flare ups of fighting alternate with short-lived cease-fire agreements and negotiations. Interethnic acrimony will grow: indiscriminate shelling and bombing of settlements and cities, hostages, refugees, terrorism. As a result the ethnic marbling in the provinces of the southern Slavs will be simplified appreciably: hundreds of thousands of refugees will move (half-voluntarily, half by force) to where "their" troops are deployed. It may be expected in time that the combat mood and human and material reserves will be used up and that the fronts (cease-fire lines) will assume their final configuration and become new borders. It is possible that it will be necessary to commit an interethnic peacekeeping force to the country (of the United Nations, NATO, the CSCE?).

There is also, of course, another scenario of the conflict—a general mobilization of the Serbs, as a result of which a sizable army would be assembled, which, although less well armed than the YPA, would on the other hand be more cohesive and combat-capable. Centers of organized resistance would be suppressed, the leaders of the "rebel" republics would emigrate, hundreds of thousands of refugees would end up abroad and the conflict would switch to a guerrilla-terrorist phase.

A focal point of war and armed conflict in the center of Europe could destabilize the whole East European region, where there is already so much acrimony and social disarray. Albania would assist the Albanians in Kosovo and Macedonia, and Hungary would display concern for the fate of Hungarians in Vojvodina. National conflicts would intensify in neighboring countries—between Czechs and Slovaks and between Hungarians and Romanians. And there is no certainty that the wave of conflicts and instability would stop at the borders (former borders?) of the USSR.

But a third version of the development of events is possible also. Austrian Chancellor Franz Vranitsky has already said, in effect, that instead of struggling "to preserve the territorial integrity of Yugoslavia," the United States and the EEC should be supporting the democratic governments in Slovenia and Croatia.

It would, most likely, be prudent for the Western democracies to recognize the independence of Slovenia and Croatia right now. An opportunity would then emerge for protecting the said republics against offensives by the Yugoslav Army. I believe that the appearance in Yugoslav skies of West European (American) aircraft, which would deprive the YPA of air superiority, would be sufficient to halt the conflict and force the parties into serious negotiations not so much with the mediation of the great powers as under the conditions of an arbitral tribunal, whose decisions would be binding. If the peoples of Yugoslavia are not driven to conclusive mutual embitterment, it would most likely be possible to preserve the country in the form of a free confederation. It will be necessary to intervene in the conflict, for all that, so the sooner the better, saving money and, what is most important, human lives.

Yevgeniy Matonin: "A Solution of the Crisis Has Been Found, Apparently"]

"The main thing is that we have prevented the Lebanonization of Yugoslavia," Prime Minister Ante Markovic declared in the morning of 1 July. After three days of bloody fighting and more than 100 killed and wounded, hope of peace has, apparently, emerged for Yugoslavia. At least, the first practical steps for a solution of the crisis and a cease-fire have been taken.

On Sunday evening at a special meeting of the country's collective directive body—the Socialist Federal Republic of Yugoslavia Presidium—its chairman—Croatian representative Stipe Mesic—was finally elected. Thus after a six-week "absence" Yugoslavia has a head of state, and its armed forces, a commander in chief. In his new capacity Mesic immediately ordered the Army to leave Slovenia. According to him, however, the situation in Yugoslavia will not be calm "until we have formed a union of sovereign states." Observers have evaluated his election as a "first positive step toward the establishment of peace between the republics." Then Ante Markovic, journeying nonstop these past two days between Belgrade, Ljubljana, and Zagreb, announced that an understanding had been reached with the government of Slovenia concerning a termination of the Army's offensive on its territory and the return of its units to barracks. The agreement came into effect on 1 July. Negotiations with the Slovenians, according to Markovic, continued the whole of Sunday.

Compromise decisions were adopted by the Yugoslav leaders under the strong pressure of the international community, representatives of the EEC primarily. They are, in fact, part of a plan to settle the Yugoslav crisis which was drawn up in the EEC on Saturday. It consisted of three main points: It was proposed that the federal government and the Army command halt the Army's offensive, that Slovenia and Croatia declare a three-month moratorium on the independence declarations adopted on 25 June, and that the Serbian leadership not stand in the way of the election to the office of chairman of the Socialist Federal Republic of Yugoslavia Presidium of the Croatian representative. But this plan was not accepted initially. Upon his return from Yugoslavia, J. Poos, president of the EEC Council of Ministers and foreign minister of Luxembourg, declared that it had been "smashed to smithereens through the fault of both sides." The EC called on the Yugoslav leaders to publicly declare their acceptance of the plan prior to 1700 hours Central European Time on 30 June. Otherwise Yugoslavia would face the prospect of being deprived totally of $900 million in EEC assistance. The FRG Government had frozen aid to Yugoslavia even earlier since it believed that it "would look like encouragement of the actions of the armed forces." The cooling of Western countries toward Belgrade, which they supported at the

start of the conflict with Slovenia and Croatia, has become increasingly noticeable with every passing day.

In the evening of 30 June, the foreign ministers of Luxembourg, The Netherlands, and Italy set off for the second time in 48 hours for Yugoslavia—a "last-chance visit," as Poos described it. "Unless it is successful, civil war will break out, and then nothing will save Yugoslavia," he said.

Fortunately, his fears have not yet been realized. Following Mesic's election and the achievement of agreement with the Slovenian leaders—the EEC representatives were present at all these procedures—they flew together with Markovic and Kucan to Zagreb, where they had to fulfill a most delicate part of the program: to persuade the Croatian and Slovenian presidents to consent to a moratorium. In the morning of 1 July, following wearying negotiations conducted directly in the airport building, the ministers declared that all the antagonists had reached agreement and had even consented to it being put down in writing. The Netherlands' Foreign Minister Hans van den Broek emphasized particularly the fact that Slovenia and Croatia had agreed to a three-month moratorium on implementation of the independence declarations, in the course of which, it is anticipated, new forms of the state arrangement of Yugoslavia will be studied.

Meanwhile the situation in Yugoslavia remains tense. Air-raid sirens howled in Ljubljana on 30 June. The government of the republic earnestly called on the citizens to prepare for bombing, which the Yugoslav Air Force was about to carry out. According to some reports, the "field" commanders of the Yugoslav Army were either unaware of or were ignoring the signed agreement and were in fact continuing combat operations. TANJUG reported that exchanges of fire were continuing in the republic on Monday morning. Fighting was continuing in Croatia, where the police had launched an assault on the village of Borovo Selo, which is populated mainly by Serbs. It is reported that police units were also fighting here against YPA subunits. Austrian and Italian forces in the vicinity of the Austro-Yugoslav and Italo-Yugoslav borders were put in a state of increased combat readiness.

On the initiative of Austrian Foreign Minister Alois Mock experts of CSCE countries met in Vienna on Monday to discuss possible military consequences of the crisis. FRG Foreign Minister Hans- Dietrich Genscher, who is also attempting to switch CSCE mechanisms into a peaceful solution of the crisis, arrived in Yugoslavia the same day.

Lessons From Army Role in SFRY Crisis

PM1107151391 Moscow KRASNAYA ZVEZDA in Russian 11 Jul 91 First Edition p 3

[Observer Captain S. Sidorov "Viewpoint": "On the Army's Role in the Yugoslav Crisis"]

[Excerpt] [passage omitted] The development of the crisis in the SFRY and the place of the Yugoslav People's Army in it make it possible to draw certain conclusions which, it seems to me, are also of practical significance for our conditions.

First. The creation of republic paramilitary formations and even of parallel armed forces is a serious precondition for the emergence of tension and for subsequent armed clashes with the regular army of the center. Given an unfavorable development of the political situation, this becomes almost inevitable.

Second. Any attempts to block the activity of the president—the supreme commander in chief—or to impose the question of his holding this post at a complex time for the country are fraught with the loss of unified political leadership of the armed forces and, consequently, also with a dangerous destabilization of the whole internal political situation.

Third. In the event of a decision being made in the higher political bodies to have the armed forces conduct operations to deescalate interethnic conflicts, mistakes and carelessness which would cost the life of even a single serviceman are absolutely inadmissible on the part of the command.

And the chief point. It is becoming axiomatic that in multinational states no unilateral actions aimed at demarcation are admissible unless a corresponding mechanism agreed with all the subjects of the federation or the Union has been created and unless these actions are preceded by a peaceful dialogue and constructive talks.

The role of the armed forces is precisely to guarantee the success of the democratization process and to prevent the noble aims of society's renewal from drowning in a quagmire of interethnic and inter-nation enmity.

CSFR Quantifies Ecological Damage

PM1107101191 Moscow IZVESTIYA in Russian 5 Jul 91 Union Edition p 5

[TASS report: "Damage Quantified"]

[Text] Prague, 4 Jul—The ecological damage resulting from the Soviet troops' stay in Czechoslovakia runs to nearly 3.5 billion korunas, Vaclav Vucka, Czech Republic deputy environment minister and head of the Czechoslovak part of the Czechoslovak-Soviet mixed commission on ecological aspects of the withdrawal of Soviet troops from the territory of Czechoslovakia, told journalists at a press conference Wednesday.

In the Czech Republic, he said, the damage amnounts to approximately 2.5 billion korunas, and in the Slovak Republic it is around 1 billion korunas. The worst ecological damage is pollution of underground water. Milovice, where the Soviet troops' headquarters was and

where they were garrisoned, is considered to be the worst affected region in the Czech Republic.

The scale of the damage will be discussed at talks with the Soviet side. If there is any dispute, the scale of the damage to each region's ecology will be determined by an independent international arbitrator. So the possibility of the aforementioned figures being amended cannot be ruled out.

Troop Withdrawal From Poland on Schedule

LD1007120391 Moscow TASS International Service in Russian 1758 GMT 9 Jul 91

[By correspondent Vladas Burbulis]

[Text] Warsaw, 9 Jul—Today the withdrawal of the 902d individual pontoon battalion of the Northern Group of troops started from Torun (northern part of Poland). The first transport echelon set out by rail for the USSR, carrying heavy equipment. Three such echelons will be needed in order to withdraw all the equipment, all the unit's personnel, and the families of the servicemen.

The last Soviet servicemen will leave Torun by the end of August. As stated by the bureau of the authorized representative of the Polish Government for affairs regarding the sojourn of Soviet troops on the republics's territory: "The withdrawal of Soviet trops from Poland was carried out in the second quarter of this year precisely according to plan." Thirty nine trains have been brought into use for the withdrawal of Soviet servicemen and freight.

Frolov Meets With Albanian Editor Dokle

PM1207090791 Moscow PRAVDA in Russian 6 Jul 91 Second Edition p 5

["Own information" report: "PRAVDA-ZERI I POPULLIT"]

[Text] On 5 July I.T. Frolov, member of the CPSU Central Committee Politburo and chief editor of PRAVDA, met with N. Dokle, chief editor of the newspaper ZERI I POPULLIT and member of the Foreign Policy and International Relations Commission of the People's Assembly of the Republic of Albania. He has traveled to Moscow with a delegation of the People's Assembly of the Republic of Albania, which has arrived at the invitation of the USSR Supreme Soviet.

Namik Dokle's visit to PRAVDA was evaluated as the start of cooperation between the two newspapers' editorial offices after an enforced break of 32 years. Questions of the place and role of the Soviet and Albanian mass media in perestroyka and the renewal of society were discussed during the talks.

At the guest's request I.T. Frolov spoke about the situation in the country and the party and about the editorial office's work under the present conditions. N. Dokle inquired about the preparation of the new CPSU Program and the upcoming Central Committee plenum. Answering questions, ZERI I POPULLIT's chief editor in turn provided information on the changes in the republic and the results of the recent party congress.

In conclusion I.T. Frolov and N. Dokle discussed specific steps for cooperation between the newspapers.

West Europe

Further Reportage on Gonzalez Visit

More on News Conference

LD1107135391 Moscow PRAVDA in Russian 10 Jul 91 Second Edition p 5

[TASS report on news conference given by USSR President Mikhail Gorbachev and Spanish Prime Minister Felipe Gonzalez in Moscow on 9 July: "Press Conference by M.S. Gorbachev and F. Gonzalez"]

[Text] Moscow, 9 Jul—USSR President M.S. Gorbachev and Spanish Prime Minister F. Gonzalez held a joint press conference in Moscow today.

Opening the meeting with journalists, M.S. Gorbachev stated: The Spanish prime minister's visit is nearing its end. Talks have now been held, both yesterday and today. We spent a considerable time in one-on-one talks with Mr. Gonzalez, but both my colleagues and those of Mr. Prime Minister were not wasting time and, as we saw for ourselves today when we held a meeting of the full delegations, they too discussed many problems. During the course of this visit, a further four treaties have been added to the 16 treaties which were signed in Spain during my visit there.

We have just signed a Friendship and Cooperation Treaty Between the USSR and Spain. I would like to give my own extremely high assessment of all that has happened over these two days. This is probably first and foremost connected with the fact that during recent years profound changes have been occurring in relations between the USSR and Spain. The basis for this exists, and existed before. I am referring to the interest, the centuries-old interest of our peoples in one another. For well-known historical reasons these relations have developed and taken shape in various ways. Today when I handed Mr. Gonzalez the first volume of documents on the history of our interstate relations in Russian and in Spanish we discovered that diplomatic documents were in existence in the middle of the 17th century. But there were links even before this, they go a long way back into history. This is not just an image, but an acknowledgment of the fact that in recent years—I am using the metaphor of Mr. Gonzalez—the political dialogue has laid a channel for all-round relations to be developed between our states.

Our political dialogue really has reached a high level. It is proceeding constructively, in the spirit of great openness, respect, and equality. I would even say that it contains cordiality and solidarity and practical involvement. This turns each visit into a great event. It was the same this time.

We also devoted much attention in our conversations to what is happening in the world as a whole, where we stand now that we have emerged from the "cold war," what we have gained, and also what problems face us.

We spoke about the processes which are under way in the USSR and in Spain and about our cooperation in the context of the development of the situation on the European continent and in the adjacent regions, particularly in the light of what is occurring in the Near East and in the Mediterranean. We informed one another particularly thoroughly about how processes are developing in the USSR and in Spain. Here too the comparison of opinions and views and of assessments proved very useful. And our personal relations with Mr. Gonzalez enable us to "interfere" in a comradely way in the form of assessments of what is happening in Spanish society and in Soviet society. This "interference" shows that we want to gain a better understanding of what is happening in our countries, between them, and around them. On the whole I am extremely satisfied. We have also agreed with Mr. Gonzalez to ponder everything we have discussed, because we have reached very serious conclusions and generalizations. And this only goes to show that we must further develop dialogue and cooperation. All the conditions exist for this.

We were rather critical when assessing our economic cooperation. Primarily because it does not match the scale and thoroughness of our political dialogue, although vast progress has been made here. Essentially we have, as it were, made a fresh start in opening up this sphere of cooperation.

Interesting business relations have been established lately here not only at the government level but also at the level of particular sectors of the economy. We noted this. But we are not satisfied with the way this cooperation is developing. We have agreed to revitalize the mechanisms which were set up during different times. In order to serve the scale of cooperation—what I am referring to here is our economic cooperation commission—we agreed in particular to raise the level, primarily on the Soviet side, to ensure that there are specific people who will keep an eye on the implementation of all the plans which have emerged. Important talks on expanding economic cooperation will take place in September and we will prepare for them now.

I think that our countries are in a unique position. One is in the very westernmost part of the European continent, the other is in the east. This obliges us to view everything that is happening, above all on the European continent, from the viewpoint of this unique position. We made precisely this question the center of attention. There was also discussion about Latin America, and I also spoke about the situation in the Mediterranean. We also spoke about the USSR President's forthcoming meeting in London.

F. Gonzalez: I want to take the opportunity once again of thanking USSR President M.S. Gorbachev for his invitation to visit the USSR at such an important and interesting moment from the viewpoint of internal evolution, from the viewpoint of European development, and from the viewpoint of the international situation. I also want to give thanks for the opportunity I have been given, in the course of the dialogue which we began in 1986, to learn more about this situation. I think that a description of the contents of the talks splendidly reflects the results which we have achieved. I would like to sum up. There is an intensive level of political dialogue. It is a very important level. This political dialogue encompasses bilateral relations, mutual recognition, and mutual standpoints regarding world processes, and also the European and world situation.

In addition to this political dialogue, which is very dynamic and is based on mutual understanding, there are legal mechanisms currently functioning which enable us to begin advancing our relations at all levels. Mr. Gorbachev has already referred to them. We recently signed an agreement which, from the juridical viewpoint, reflects the situation between our countries and relations with other countries, such as Italy and Germany. The level of political dialogue and the legal framework of our relations considerably outstrip the level of economic, commercial, cultural, scientific, and technical relations. So we must revitalize these relations both from the political viewpoint, which Mr. Gorbachev has already spoken of, and from the viewpoint of the presence of representatives of our economic and cultural circles, who could fill our bilateral relations with new content, and bring them up to the appropriate level. In Europe we are living in the period following the cold war. Beyond any doubt this has inspired all the peoples of Europe with considerable hopes. We have also tried to comprehend the new situation on the European continent within the scope of the CSCE and in the context of the Paris Charter. We are aware of our responsibility in connection with the fact that a new stage is beginning after the cold war, which requires us to make efforts to consolidate mutual understanding, respect, and everything that was agreed by the member states of the CSCE for the sake of ensuring guarantees of the stability of the democratic, political and economic development which the entire European continent is currently experiencing.

Europe, like the entire world, is living in a new era. There is no doubt of that. But this era is not free of hesitations. And we must, we are obliged to minimize these doubts and hesitations. This era is of course not guaranteed against potential conflicts on the European continent and around it. For example, the situation in the Maghreb, the Mediterranean, and the Near East shows this.

Yugoslavia can also be added to this list now. That's why we talked about these issues at our talks. I think that these talks were useful. And, of course, both of us are ready to cooperate to improve the situation in Europe and in our two countries.

Question: You met with RSFSR [Russian Soviet Federated Socialist Republic] President B.N. Yeltsin. What are the prospects for cooperation between Spain and Russia?

F. Gonzalez: President Boris Yeltsin has indeed proposed that I should study some of the joint cooperation programs. To this I replied that we have a juridical framework, namely the agreement we signed this morning, and there are financial agreements in addition to the other accords in the area of cooperation. There are groups of specialists already prepared who can pick out those programs that might be of mutual interest within the framework of those juridical documents which we have just created. We are willing to cooperate within the framework of these documents.

Question: Will this concern about events in Yugoslavia be reflected in a common approach or joint initiative?

M.S. Gorbachev: I have already had occasion to answer a question about Yugoslavia in Kiev. Perhaps I might now change my angle of view and approach your question from a broader standpoint. We have emerged from the cold war. And that is the enormous achievement of the last few years, these are the changes that you and I welcome. Much is linked with this in reinterpreting, in conducting political dialogue, and in changing approaches and views on the role of force in international relations.

We correctly assessed the danger of the nuclear threat and as a result of all this we reached some major political decisions. It is already possible to say that we have moved a long way forward. We have emerged from a system in which the spirit of confrontation and the arms race characteristic of the cold war, its own mechanisms, and its own methods of solving problems operated. We know where we got to as a result of using these mechanisms. This is precisely what persuaded us to stop when we were almost on the edge of the precipice, to think everything over, and on the basis of the new thinking to set about improving international relations and constructing a new world order.

Yes, we have left this era behind, we note this, we are satisfied with this, and we are aware of our responsibility for preserving the process of rapprochement and movement toward a new stage in international relations. Thus we are at a transitional stage. We have still not formulated a new image of international relations, although we are constantly trying to do this both within the context of the European process, continuing the Helsinki process, and within the context of establishing dialogue with all countries on other continents. I think that we should include here above all what has happened in Soviet-U.S. relations, for the aforementioned achievements would have been unthinkable without this.

The building of a new world order is under way. Much still remains to be done here, including finding mechanisms and creating institutions consonant with the new stage in relations between states. And now we are engaged on a quest. Here it is important to protect the process and not to allow the situation to get out of our general control. Yesterday my friend Felipe Gonzalez and I stated that we have to deal with these problems more intensively, responsibly, and thoroughly. For there is a risk that a new situation will emerge.

To say that the situation in Yugoslavia only affects the USSR falls short of the mark. It affects all of us. It affects the foundations of the whole of current foreign policy. We are all worried. We are seeking approaches to resolve this problem peacefully, showing respect toward the peoples of Yugoslavia, and using as our starting point the fact that first and foremost we support the integrity of Yugoslavia and the inviolability of borders.

When I was speaking to Mr. Kohl last Friday and to Mr. Gonzalez yesterday we recalled in this connection the Paris Charter. The Paris Charter enshrines what I was saying just now as very important and fundamental provisions. But at the same time there are provisions about a respectful attitude toward the rights of minorities and small peoples. How are all these principles to be combined? If we retreat from the fundamental principle of the inviolability of borders, then the processes of further development both in Europe and everywhere else will go out of control, with unpredictable consequences. These questions, in our common opinion, must be resolved within the framework of every state on the basis of the constitution and the legislation, within the framework of constitutional process.

Legality comes first. There will be stability in any state when the law operates and all institutions of power and social institutions strictly comply with the laws. In just the same way we must be guided by this awareness in international relations.

What does Yugoslavia mean to us? These are friendly peoples, we are united by many things—history, both distant and not so distant, especially the joint struggle against fascism; we are united by decades of cooperation and by the common identity of Slavic peoples. We are particularly sensitive to all that is happening there, and we are using all our influence and our presence in all international mechanisms and our very close ties with the peoples of Yugoslavia to ensure that the problems which have arisen are solved within democratic frameworks and that the Yugoslavs themselves sort out this situation. Something more or less encouraging emerged yesterday. We are prepared to provide political services whenever a state, in this case the Government of Yugoslavia, asks us to. Nobody there is entitled to regard themselves as some kind of police force that has been granted special rights and can disregard the government

and the setup in the country. So all this must be done together as a service, offering support at this difficult moment.

What is happening in Yugoslavia is being followed very closely in our republics. This is another lesson that reminds us that everything must be solved within the framework of the reform of our federation, on the basis of the results of the referendum, preserving and renewing our great union of peoples. We have no other choice; any other way may lead us into a blind alley and may result in grave consequences. So events in Yugoslavia are a corroboration of the correctness of the opinions in this regard of the leaders of the Soviet state and the republics.

Question: Mr. Prime Minister, from the viewpoint of your experience, how do you see the ways of switching to a market economy in the Soviet Union and switching from a totalitarian society to a democratic society? And a question for Mikhail Sergeyevich: Do you think that the progress of perestroyka processes is independent of the success of the talks in London?

F. Gonzalez: We have had no experience on a scale consonant with the impressive and difficult process which is known as perestroyka. One can find parallels in any situations, and obviously Spain moved from an authoritarian to a democratic system. Here there really are similarities. Moreover, Spain moved from a strictly centralized power system to a structure characterized by a large degree of decentralization. But it is only with great effort that one can find a genuine parallel between Spain and the USSR.

We look with friendship and loyally at the processes in the USSR as processes which affect all of us. I once said that we would be acting correctly if we invested in perestroyka because it will give much to all of us Europeans and to the whole world. The USSR is a country the size of a continent which one way or another will influence the international situation and relations in the world. It would be most desirable if this influence increased as democratization progressed, from the viewpoint of both individual freedoms and the redistribution of power between various institutions. However, these problems can only be solved by the USSR. No one can replace the USSR in resolving this exclusively internal task.

From an economic standpoint, I would like to express my conviction as the leader of a government which has made vast efforts to liberalize Spain's economy. We have taken and are taking part in the integration processes taking place in the European Community.

First, there is no prescription that is available in advance. There is no readymade economic theory that could be applied to the absolutely new economic situation in the USSR. Of this I am sure. The experience that I have accumulated makes it possible to say that there exists a general orientation toward a market economy, toward integration into the world economy. But notwithstanding that kind of orientation, it should be realized that the rate and the specific stages of this movement depend upon the social and economic conditions of each individual country, therefore it is necessary to adapt and amend this process depending upon the situation in each country.

For me it is far more important to identify in practice the direction the economy is taking than to enter into discussions about whether it is possible to create a market in 500 days. The orientation and the direction are of fundamental importance. Here, evidently, there are no doubts. The USSR economy is opening up to the world and is trying to integrate itself into the world economy, and we believe that this is what it must do. At the same time it is trying, within the economy itself, to remove restrictions and to free the initiative of the individual, of individual enterprises or companies. It seems to me that this is the kind of analysis that one can make. But it is an analysis. I would not dare to talk about the kind of economic project that would suit the USSR because that would be an impertinence based on nothing at all.

M.S. Gorbachev: I can speak of practical coincidence of views on this problem. Each country should solve it itself within the framework of the orientation which Senor Gonzalez spoke about. Within the real context of its own situation.

This brings me to the question regarding the forthcoming meeting between the Seven and the USSR president. I agree that this is an event. An event which could not have happened even a year ago, let alone two years ago.

The second thing is this. You will probably agree that our political dialogue has reached a high, large-scale level; political dialogue is under way between the leaders of states within the framework of the perestroyka of international relations. We have achieved a great deal. But as far as economic cooperation is concerned, well here—I must be frank—few changes have occurred yet. I think that we are entitled today to pose the question of a new kind of economic cooperation between the USSR and other states, primarily the developed states of the world.

When I speak of a new kind of economic cooperation, I understand by this that, in place of mere trade, the mere implementation of individual projects—which in itself is very important—there must be the organic inclusion of the Soviet economy in the world economy. In order to operate within the common rules in this world economy. The political prerequisites have been created for this but the USSR and other countries need to take steps toward each other.

As far as we are concerned we have embarked on the road of profound democratic transformations, the road of transforming property relations and of moving toward the market. We will do this. This is our choice. We need this, this is our responsibility, these are our problems, this is our burden. It is on us that the main burden lies in resolving all of the problems connected with these deep reforms. But taking account of what Mr. Gonzalez said

about the USSR as a whole continent, we understand that the success of this work and the organic inclusion of the USSR would have tremendous political potential and global positive political consequences for the whole of contemporary civilization. That is what fundamentally dictates our position.

We are continuing the line of perestroyka and new thinking in getting down to the sphere of economic links and relations. These must match up to the new challenges and imperatives dictated by contemporary development and the state of the world. Today we can and we want to place many questions of this cooperation in a practical dimension, because we have really changed and we will now change even more rapidly on the basis of the approaches I have mentioned.

There is also a different degree of understanding from our partners.

We are counting on mutually advantageous cooperation, both today and tomorrow. We think that, in resolving certain critical problems concerning the entry into the market, we could be helped to achieve this more painlessly by cooperation, more effective cooperation with the developed countries.

Question: Did you discuss with President Gorbachev the constant violence in Armenia and the Baltic republics? Mr. President, what is your assessment of the situation in the Communist Party?

F. Gonzalez: We did not discuss these problems, so I have nothing to say in reply to your question. Globally speaking, I think that the process of impressive reforms in the Soviet Union has so far developed in an atmosphere, in a general atmosphere that, in my view, is positive and generally peaceful.

M.S. Gorbachev: A couple of words about the first question. Revolutionary transformations on an unprecedentedly large scale are taking place in our huge country. I think that perhaps for the first time in this country this is taking place within the framework of democratic transformations, within the framework of constitutional processes, within the framework of legality. You could mention to me many instances that do not fit into this framework. Yes, all that is true. But we are seeking ways to social harmony in order to continue the profound transformations within the framework of democracy, glasnost, and legality. The fact that this is not always possible is by no means down to the authorities alone.

The unprecedented changes are accompanied by emotions, misunderstandings, separatism, and simply provocative, inflammatory actions. But some people are reluctant to part with what they have had and are trying to provoke social disorder in order to keep and retain their positions. At any rate our line is to ensure that everything we have planned—the renewal of our society within the framework of the choice of which I have often spoken—within the framework of democracy is implemented on the basis of compliance with legality, more, of strengthening legality. There are now signs that society is going to offer stronger and more thorough support to those who stick to this path.

As for the question of the situation within the CPSU, it reflects what is happening in the country. Profound changes are also taking place in the party. The party which used to be the crucial element and mechanism in the functioning of the administrative-edict system is today seeking its place in the transformations within the framework of the distribution of legislative and executive power and within the framework of the change in the role of political parties. This too is not easy or simple. It is a question of living people and established ideas. They are running up against the need to rethink matters. They will have to draw conclusions, change their political line, and change the forms of life of this political force within the framework of the democratic process that is taking place in society. The process is under way. We have expedited the process of elaborating the new program and on 25 July will hold a plenum at which the commission formed by the congress will present the draft program. We will discuss it, and after that it will be referred for discussion by the party. The discussion will be open to the whole of society.

I think that the party program will absorb everything that we have been able to accomplish, learning lessons from the past and creatively analyzing both our own and world experience. The program will lead us to new ideas.

It is already clear that certain currents have emerged within the CPSU that reject the present orientation of perestroyka and, what is more, would like to reverse everything. I think that these people hatching these plans will have no success. Society has moved toward change, it accepts it. We are dissatisfied with many things, but we will travel the path of these transformations. I am sure of this. This is no longer the choice of a group or party, it is the choice of the majority of our people.

I think that the complexion of the party will be determined on the basis of the new program and the question of what the size of its membership is going to be will also be resolved. I think that this will nevertheless be a process of renewal and cohesion, of creating a modern socialist-oriented party.

Now for the final part of the question, about how I as general secretary view the fact that certain comrades are leaving the party. This process is under way. It was also under way last year. Some people have left the party. That is their choice. That is a voluntary matter. It is a different matter that we must reflect on this and see the reasons. I think that this is connected to a considerable extent with the fact that the party's activity today is not vindicating hopes. But I think that this problem will be removed as a result of the attainment of a new program and new forms of activity.

Moreover, there are people who simply joined this party in particular historical conditions in order to resolve their own personal tasks. Today, when the party is not a springboard for jumping to particular levels in the hierarchy, they are leaving the party. These are unworthy people. From this viewpoint, I think that this is a normal and healthy process. The party benefits little from these people. A very complex process is under way.

As for the participation of certain Communists or their departure from the CPSU because they are joining the democratic movement, in particular the one which emerged recently, in my view, the "nine" too signed an appeal, but this is a different "nine," and I gave quite a detailed answer to this question in Kiev and I have nothing to add.

Question: If over the next few months or year or two years you receive additional huge credits from the international community, then how and when will you be able to pay off the whole of this enormous foreign currency debt?

M.S. Gorbachev: Well first I would like to draw your attention to this. Brazil has a debt of $130 billion; the United States has an external debt of $300 billion. I think that if one were to measure this debt of ours against what the USSR represents and what it has at its disposal, then generally speaking all knowledgeable and competent people understand that this resulted from a period of unfavorable circumstances. As a result of internal processes a reduction in exports of oil and other products occurred in our country. This had an effect on the external debt. Suffice it to say that our oil exports were exactly halved. That immediately reduced foreign currency receipts by one-half. But this does not reduce the potential that the USSR has at its disposal to build up exports and improve and increase its foreign currency income. That is the first part of the answer.

The second part is this. I don't believe that there are all that many free financial resources in the world. When we talk about cooperation we are talking first and foremost about investment credits. And this will create opportunities to compensate for our debts to investors via the increase in output obtained as a result of the implementation of these investment credits. I think this will be the main thrust of our economic cooperation with other countries.

Now I think that great prospects are opening up for this in connection with the fact that in the main we have adopted legislation which opens up great opportunities for investment in our country. This means that in essence foreign investors enjoy the same rights as are enjoyed by Soviet enterprises. They can have and acquire shares and own 100 percent of the capital of an enterprise. We have also made provision for the possibility of creating concessions.

That is the first thing. Second, we intend to speed up the transition to ruble convertibility. We are hoping here for cooperation with the Western countries. And this will then open up the possibility of completely removing these problems of foreign currency since this will allow our economy to function normally and will allow Western investors to feel confident. I think that these difficulties are surmountable. Of course, we are keeping this question within our field of vision. We do not intend to ask for our debts to be canceled. We have paid our debts, moreover, we have always been the best debt payers and we have repaid our credits. I think that we will emerge from this difficult phase and we will resolve this problem just as we have resolved it so far.

Question: Mikhail Sergeyevich, yesterday at Novo-Ogarevo you were supported by nine republics. If the West decides to give financial support to the reforms in the USSR, who will be the recipients, the USSR or the republics?

M.S. Gorbachev: People are continually asking this question, but in my opinion it contains more confusion than exists in real life. The people voiced their opinion in favor of a federation, that means a federal state. With its own internal market and with all its characteristic features—a single financial policy, a single currency policy, a single customs policy. As far as the new Union treaty is concerned, a single coordinated foreign policy will be conducted under it. I will not continue the list. That presupposes that in the future too relations between the USSR and other states will shape up in such a way that they will have a reliable partner in the shape of the USSR. This means that the republics will participate in this process more actively both at the stage of drafting treaties and concluding agreements. Further, the republics had already previously come out in favor—and they have done so again now, yesterday—of more rapid progress being made in setting up an interrepublican committee for foreign investment under the Ministry of the Economy in the center. Its task will be to coordinate joint activity, to suggest projects, and to elaborate approaches.

After these questions have been resolved at a coordinated level, the republics, and mainly enterprises, associations, joint-stock companies, and concerns, will enter into specific business cooperation. Already foreign economic activity is to a large extent implemented at the level of the real main subjects of the market. I mean the enterprises. So there will be no drama here. I think that the question has been posed and is being tackled correctly in that the republics should be conversant with decisions and treaties, should take part in their implementation, and should monitor them. I think that within the framework of the redistribution of powers there will also be an enormous redistribution of powers in the foreign economic sphere on the basis of coordinated foreign policy and foreign economic activity and approaches.

Question: After the well-known period in Spanish history the country traveled the road to the restoration of democracy and freedom. Mr. Prime Minister, I would like you to share your experience, even if only briefly.

How did you succeed in traveling this path from dictatorship to democracy in such a short period?

The second question is for M.S. Gorbachev. You have just signed a treaty on friendship and cooperation with Spain. I would like to hear your assessment of the significance of this treaty at the moment.

F. Gonzalez: It is very difficult to answer this question in a minute or two, but I will try. The political changes which have taken place in Spain may be expressed thus: The relations which existed have been democratically transformed. I have the impression that the dictatorship and the authoritarian system were actually armor plate which fettered society. I want to say that the transition of Spain to democracy is explained only by the fact that the overwhelming majority of the members of society wanted to live in conditions of democracy and freedom. And at the moment when the institutions which obstructed this decided to adapt and take account of the demands of society, changes became possible. Speaking in classical terms, when the superstructure started to respond to the needs, everything began to be tackled reasonably and peacefully. This is my only digression into orthodox terms.

M.S. Gorbachev: We arrived naturally at this. The very title of the treaty shows the level of our relations. I think that with the signing of the present treaty we are, as it were, concluding the first stage of developing a reliable legal basis for the stable development and cultivation of cooperation between our states. The treaty reflects the new realities in our relations and the atmosphere of cooperation which has developed in recent years. I must say that it absorbs all that has been achieved in international relations up to the present time. Thus this document concerns relations between two countries, but it also expresses our positions regarding the present situation in the world. It is a major international document.

Question: I would like to return to the question of a new federation within a new Union. When will the new Union Treaty be signed? What will happen to the republics that do not sign it?

M.S. Gorbachev: Eight republics have approved the latest version of the Union Treaty at their Supreme Soviet sessions, have determined the delegations to sign it, and have empowered them to finally agree the text, since there were a few criticisms about the treaty. The Ukrainian Supreme Soviet, advocating the Union and thereby expressing the will of the Ukraine's people, is now working to complete this process in September. Nevertheless, yesterday when we met (the leaders of the republics together with the leaders of the governments)—incidentally, Comrade Pavlov was with me—the wish was expressed that the examination of the criticisms made by the Supreme Soviets be completed no later than mid-July,that they be agreed, that a balance be found, and that the final version of the Union Treaty be reached. Everyone advocated that the process of signing the treaty not be postponed, because this is exceptionally important for building up the processes of stabilization and harmony that are gathering strength in society and that the people welcome. And it is simply necessary to arrive at the treaty and to open up opportunities for a new stage in continuing the political reforms in the light of this treaty.

What will happen to the republics that have not signed it? I think that the list of republics that will sign the treaty will lengthen. I am receiving information that in several republics if you asked opinions about the Union Treaty, 70 or 80 percent of their population would advocate signing and joining the Union. If you asked the people, I mean. But that is precisely how the question will have to be resolved, not any other way. You know, some people would like to resolve these questions in the middle of the night by meeting for a couple of hours and voting. No, that should not happen. These questions are too important to be resolved like that. So the question of the republics that do not sign the Union Treaty must be resolved within a constitutional framework, within a framework of legality. Any attempts to foist another option on us are unacceptable. Nevertheless, I will take advantage of your question to reaffirm here, that is, before the world press, our commitment to sticking strictly to the constitution. This means peoples have the right to self-determination, up to and including secession from the Union, but all this must be done within the framework of constitutional forms, and not in any other way.

Observer Praises Talks

LD1007115291 Moscow TASS International Service in Russian 1100 GMT 9 Jul 91

[By international observer Gennadiy Petrov]

[Text] [No dateline as received] Unambiguous support for the transformations in the USSR and for the "architect" of perestroyka, M.S. Gorbachev, on the eve of the "Big Seven" meeting, and the Soviet leader's upcoming talks with U.S. President G. Bush—this is the brief formula to which one can reduce the results of the official visit by F. Gonzalez, the head of the Spanish Government, to Moscow. This support takes on a particular significance during the difficult transition period that the Soviet Union is experiencing. Of undoubted value too was the experience of Spain's peaceful transition from Franquista totalitarianism to a democratic society and civil concord, and of the development of a market economy, which the visitor shared with his interlocutors.

Henceforth, Soviet-Spanish relations have entered a qualitatively new phase of development, as indicated by the Treaty of Friendship and Cooperation signed by the leaders of the two countries. Spain has thus considerbly strengthened the political aspect of its ties with the Soviet Union, as was previously done by the FRG, France, and Italy.

What I think is striking is the pace of progress in Soviet-Spanish relations since the start of perestroyka, and the inculcation of the principles of new thinking in world politics. Last October, when the USSR president visited Madrid, an important bilateral document—the joint political declaration—was signed for the first time, while this July, a Treaty of Friendship and Cooperation has already been concluded, spelling out, in particular, the mechansim for direct contacts between the leaders of the Soviet Union and Spain. The friendly relations traditionally linking the peoples of the two countries have thus been given a solid basis.

It is also important that during the talks between M.S. Gorbachev and F. Gonzalez, and also between Foreign Ministers A.A. Bessmertnykh and F. Fernandez Ordonez in Moscow, views coincided on the most topical international problems—from the situation in Yugoslavia and the development of the pan-European process (in which Spain is an active participant) in the light of relations between the USSR and the European Community, to a Near East settlement.

There is hope that the visit of F. Gonzalez will at the same time stimulate trade, economic, and scientific and technical cooperation, which is clearly lagging behind the level of bilateral exchanges in the area of culture, art, and sport, and which is not yet in accordance with the potential of the USSR and Spain.

Command Slows Pace of Withdrawal From Germany

PM1107132191 Moscow KRASNAYA ZVEZDA in Russian 6 Jul 91 Second Edition p 2

[TASS correspondent V. Katayev report: "Press Conference in Potsdam"]

[Text] Berlin, 5 Jul—Questions of the schedule and pace of the withdrawal of Soviet troops from German territory, including from Brandenburg, were at the center of attention at a press conference held today in Potsdam and organized by the Western Group of Forces Command Authority and the Brandenburg Land Government.

Addressing the press conference, Colonel V. Strelnikov, spokesman of the Western Group of Forces Staff, noted that as of 12 May this year 28 percent (almost 44,000 men) of the total number of Soviet servicemen and their families due for withdrawal in 1991 had been withdrawn, together with 85 percent of tanks (867 vehicles) and 61 percent (260,000 tonnes) of diverse military equipment respectively.

The group's command authorities were endeavoring to strictly and rigorously comply with the obligations they had assumed to oversee the plan and schedule of the withdrawal of troops from Germany. But today the situation regarding this question had somewhat changed.

In this context, Col. V. Strelnikov drew the attention of journalists to the recent statement by the commander in chief of the Western Group of Forces to the effect that the Soviet side is compelled to somewhat slow the pace of the withdrawal of Soviet troops from July. Whereas 22,000 servicemen left Germany in June, in July this figure would be 13,000. The main reason behind this decision is the Soviet Union's shortage of housing, which was not developed in time by the German side as envisaged by the relevant agreement between the USSR and FRG governments. It would be irresponsible to send thousands of people to the Union with nowhere to settle there, and with winter about to set in.

In his statement G. Domke [name as transliterated], the Brandenburg prime minister's plenipotentiary on Soviet troops and conversion questions, expressed understanding for the difficulties which have arisen.

Supreme Soviet

Soyuz Deputy Criticizes Union Treaty

LD1107231791 Moscow Central Television First Program Network in Russian 1958 GMT 11 Jul 91

[Speech by Deputy Blokhin, representing the Soyuz Group in the USSR Supreme Soviet, at the USSR Supreme Soviet session in the Kremlin in Moscow on 11 July—recorded]

[Text] It seems to us that the problem of the treaty, its poor elaboration, has arisen as a result of the USSR Congress of People's Deputies and the USSR Supreme Soviet being excluded from that work, although pro forma. Rafik Nishanov spoke about that today. We really did discuss the general concept of the Union treaty and heard and discussed it at the USSR Supreme Soviet session, but it was just pro forma. Essentially, the role of these supreme bodies of state and legislative power have been, in our opinion, reduced to nothing. Suffice it to recall the interested speeches by the deputies, the majority of which were focused on preserving the name of the state, on the rights and freedoms of citizens, on the unity of law enforcement bodies, on the role of the republics in deciding their internal state structure, and on the approach to the formation of the Soviet of Nationalities. However, all of that, all of the decisions that were elaborated and weighed by the congress and the Supreme Soviet to the letter, in our opinion, were ignored. Contrary to this, and as the result of the Union referendum, in which a majority of people from a majority of republics spoke out in favor of the preservation of the unity of the state that has evolved historically, the draft of the Novo-Ogarevo treaty persistently implements the concept of the zero option variant.

There is not an integral Union state, but a number of independent states, the presidents of which suddenly and unexpectedly agreed to unite. In particular, apparently for this reason, we were six presidents short in this group of presidents, six presidents of six republics. To put it another way, the supreme constitutional bodies of power were in actual fact pushed aside from the elaboration of the treaty. As a result, a unilateral and regional approach prevailed, which cancelled out over two years' legislative activity of the USSR Supreme Soviet. The content of the treaty was transformed toward the position of a confederative state structure.

In this connection, the affirmaton in the draft treaty that the Union is a federative and democratic state looks unconvincing and even deceptive. Can one really talk of a federative state structure if it lacks an integral system of legislation and an integral judicial system? There is no integral system of supervision by the procurator nor of the law enforcement bodies. The president who allegedly possesses supreme executive power in actual fact has no power at all, since an integral system of the executive bodies with vertical subordination is not provided for.

Finally, the supreme power of the Union lacks a real economic base, which has been spoken of here already. Even such systems as power engineering, transport, and the defense industry, which are the most important for the Union, are not in its exclusive jurisdiction.

According to the asessments of experts, the adoption of the proposed draft treaty will create the basis for future republican currencies, armies, and customs, and will inevitably lead to the fragmention of the state into a union of independent states for joint defense, like NATO.

It is still unclear in the draft treaty whether all republics existing in the state network today will sign the treaty. What about the newly formed republics, such as the Dniester and the Gagauz repubics, and also national territorial formations of those republics that want to be in the Union? I mean here Vlenskiy oblast in Lithuania, the eastern rayons of Estonia, and others, in which referendums were held and whose people came out unequivocally for the Union.

Minorities Representative Advocates Union Treaty

LD1107231191 Moscow Central Television First Program Network in Russian 1939 GMT 11 Jul 91

[Speech by Deputy David Kugultinov, speaking on behalf of the deputies' group representing the autonomous republics, at the USSR Supreme Soviet session in the Kremlin in Moscow on 11 July—recorded]

[Text] The draft of the Union treaty which we are discussing is probably most important to the group on whose behalf I am speaking, the group of minorities, which are not protected from the stronger ones, minorities which in turn are dominated by others which are even stronger. Yes indeed, the Kalmyks, the Adygeys, and others have been mentioned. They say that there are only 100,000 of them, whereas we are 2-5 million strong.

But these 5 million are being contemplated by others who number 50 million. These groups are beginning to count their resources. We are like France, they say. Therefore, we should live like the French. Why should we want this Union? Those who have over 50 million are saying: There are 145-150 million of us. How can it be done this way? In the process they forget that there is such an organzation as the United Nations at which all the nations are represented, including China, which has 1.1 billion people. The Chinese look at us and say: Good gracious, this small nation, this small state, the Soviet Union, wants to have the same number of seats as us at the UN. The Chinese should have 10 times more seats at the UN than any other nation because there are more of us.

But the nations are sensible, the nations are wise. The nations realize that the qualities of a people are not judged by the size of its population but by the infinity of its spirit and its culture, of every people—I repeat, by its infinity and uncountability. By this infinity and

uncountability all the peoples of the Earth are equal. I am grateful to fate for my identity as a Kalmyk. I am grateful to fate for my identity as a representative of a minority which has found itself living on the territory of Russia where the Great October Revolution took place. For some reason we are trying—out of shame in some cases, out of cowardice in others—to keep quiet about what happened then. This is wrong. That revolution made it possible for all of us to consider ourselves equal. The fact that the Union treaty is based on the principle that all peoples are equal suits me. This suits us all.

Yesterday we, the representatives of this group, gathered for a discussion. From our point of view, as far as the personal, self-oriented interests of the minorities are concerned, we decided that today we need this treaty as much as we need air. Our Union treaty makes it possible for people to work. Only the work of each of us will extricate the country from its crisis. There is no other solution. Only the equality of the peoples—I ask you to give me one more minute—only the equality of all the peoples will give us the opportunity to live without bloodshed and situations in which a stronger people can forbid a weaker people to sign the Union treaty, merely because it is strong, because it is a Union republic, whereas Abkhaziya is an autonomous republic. Therefore it brandishes its fist and shouts: Who says you can sign the Union treaty?

I think that with the signing of the Union treaty—if we sign and adopt it—those days will pass and everybody will be protected and nobody will dare to brandish a fist or to fire shells and bullets. Therefore, on behalf of our group of peoples, I say that, in accordance with the law passed by the USSR Congress of People's Deputies, each of them will sign this treaty as one among equals.

Leonid Sharin on Defense Issues in Union Treaty

LD1107225191 Moscow Central Television First Program Network in Russian 2007 GMT 11 Jul 91

[Speech by Leonid Sharin, chairman of the Joint Supreme Soviet Committee for Defense and Security, at the USSR Supreme Soviet session in the Kremlin in Moscow on 11 July—recorded]

[Text] I cannot agree with the opinion of esteemed deputy Blokhin that the Supreme Soviet and the people's deputies were completely excluded from the process of preparing the Union treaty—that is, that it was prepared in secret. As you may recall, it was precisely all of us here, comrades, who began this work to prepare the Union treaty. At the Fourth Congress of People's Deputies of the USSR, which is the representative of the whole union, a preparatory committee was formed. Many of us took a most active part both within the republics and in committees and commissions of the USSR Supreme Soviet in elaborating the provisions of the new union treaty.

For example, our committee, immediately after the formation of the commission, assigned specialists and consultants on questions of defense and security and constantly monitored their work. Several meetings of the committee were devoted to this. It is another matter that not all of our proposals and criticisms have new been reflected in the draft treaty despite the fact that during lengthy discussion the majority came to the conclusion that there should be a single armed forces; in the draft treaty which has been presented this has not been expressed completely clearly. I should like once again to emphasize the fact that violation of this basic principle of forming the army not only undermines the defense capacity of the country but also contradicts previously concluded international treaties and agreements.

I shall dwell on only one point. This concerns in particular the ownership and control of nuclear weapons. This arouses the disquiet not only of our people but also of the whole international community. In a committee that frequently receives various parliamentary delegations or representatives of the armed forces of various countries, the question is constantly being raised very intensely: What will happen to your nuclear weapons when the treaty is signed? I think that this is such a serious question that it deserves to have a separate article in the Union treaty.

Serious misgivings are aroused about the question of the organization and leadership of the defense complex. If we leave this provision in its present wording, we could destroy the unity of the armed forces and the defense complex which supplies it. Furthermore, it will considerably complicate the organization and management of the military-industrial complex, will create problems in the selection and training of new competent cadres and—what is of no little importance—will make it difficult to insure the necessary regime at these sites.

I, comrades, must also note that in the draft Union treaty some of its articles hav been adopted without taking account of laws that we have already adopted. For example, I feel that the law about the state security bodies which we adopted recently has been totally ignored. And here I have in mind that the competence for intelligence and counterintelligence is subjected to both union and joint, that is, influence. I think that in this case there will be neither intelligence nor counterintelligence. It is necessary to set this out most precisely and definitively as it is set out in our law about these bodies.

Comrades, one cannot fail to agree that the union republics should be completely removed from matters of defense and the armed forces. And there is sufficient joint contact there. But it is necessary to set this out very precisely in the treaty because these are the most acute, most disputed, and most complicated questions.

The committee submitted its proposals on changing the wording of articles five and six and also on other provisions of the treaty. Comrades, I propose approving the draft treaty and adopting the decision on this question.

Supreme Soviet Adopts Draft Union Treaty

LD1207094191 Moscow All-Union Radio First Program Radio-1 Network in Russian 0900 GMT 12 Jul 91

[Text] We have one other direct linkup today since it is planned to complete the work of the USSR Supreme Soviet session. Over to Vladimir Perfilyev who is working at this session.

[Perfilyev] Yes, today is the final day of work of the USSR Supreme Soviet fifth session. The morning joint session of the Soviet of the Union and the Soviet of Nationalities was held under the chairmanship of Anatoliy Ivanovich Lukyanov. An interval has now been declared. Well, before the interval there was some very intensive, scrupulous, and responsible work: the question of the draft treaty on a union of sovereign states was being discussed.

The deputies received the draft decision and discussed it. Deputies Savitskiy, Bronshteyn, Salykov, and a number of other members of the Supreme Soviet were in favor of this work being continued in a direction, whereby all the Union republics got the opportunity to take part in this process. Replying to questions, Rafik Nishanovich Nishanov, member of the Supreme Soviet, the rapporteur on this question—he delivered a report yesterday—answered incoming questions today, and read out an appeal to deputies of all levels of the republics of the Soviet Baltic, Moldova, Armenia, and Georgia, urging them to take an active part in the process of signing the Union Treaty. This appeal was adopted by the Supreme Soviet, and a decision of the Supreme Soviet on a draft treaty of a union of sovereign states was adopted.

After the interval there will be article by article discussion, but at the moment, one may say that this draft has been adopted in the main; the empowered Union delegation for signing a treaty on a union of sovereign states, comprising the USSR President, the chairman of the USSR Supreme Soviet, the prime minister, the chairman of the Soviet of the Union and the Soviet of Nationalities, as well as the chairmen of Supreme Soviet committees will be endorsed. I will remind you that this decision will be discussed article by article immediately after the interval.

I will also remind you that in literally 50 minutes' time a news conference of the president of the country, Mikhail Sergeyevich Gorbachev, will take place right here in the Supreme Soviet, and we shall be informing our listeners.

Gorbachev Answers Correspondents Questions

LD1207124491 Moscow Radio Rossii Network in Russian 1100 GMT 12 Jul 91

[Report by station correspondent Yevgeniy Zherebenkov]

[Text] Now about another event that has taken place here at the Supreme Soviet. Literally half an hour ago, a news conference given by USSR President Mikhail Gorbachev ended, to which he came from a session of the Supreme Soviet Presidium.

At the meeting the members of the Presidium decided to take into consideration and support Gorbachev's proposals. According to him, there is understanding. Mikhail Gorbachev also set forth his vision of new economic cooperation, having noted that we need to change in order to become involved in the world economic system; but he stressed that he is reckoning on a movement to meet him half-way. There are still barriers here.

Mikhail Gorbachev noted yet again that he is not going [to the G-7 meeting] to be on bended knee, considering that everyone is interested in the process already started being continued, and drawing support from the firm basis of economic cooperation.

Gorbachev was asked: What will you consider a success from this meeting? Well, the fact that the meeting is taking place, is a success, said Gorbachev. He has no doubt that this cooperation will be continued, and he is reckoning on a mechanism being introduced for the continuation of the work from the viewpoint of application. Mikhail Gorbachev also noted that integration into the world economic system is impossible without cardinal changes and reform, and that without traversing the path to the market, this process will evidently fail. He stressed that this is our choice and noted that as a result of the reforms we are not moving away from socialist ideas.

A question was also put to Mikhail Gorbachev about the fact that currently the opponents of this issue are growing stronger, are becoming more united. He was asked whether there were guarantees that the course will change, and that the general secretary will be elected at the plenum. Well, Mikhail Gorbachev said, regarding the fact that this issue could not be put at the plenum: this comes under the powers of the congress. But as regards guarantees that the reforms would continue, he does have them, because people are speaking out in favor of making more radical changes. He is aware of the support of society, support for the accord which is strengthening in society, and is staking on mature common sense.

Supreme Soviet 11 July Proceedings

LD1107215191

[Editorial Report] Moscow Central Television First Program Network in Russian at 1840 GMT on 11 July begins to carry the recorded "At the USSR Supreme Soviet" program of highlights of the proceedings of the USSR Supreme Soviet in the Kremlin in Moscow on 11 July.

The announcer begins the program by saying that today the Supreme Soviet discussed the draft Union treaty in the presence of Gorbachev, Yanayev, Pavlov, and many government ministers. The main report was delivered by

Nishanov. The session was chaired by Anatoliy Lukyanov, chairman of the USSR Supreme Soviet.

At 1841 GMT Rafik Nishanov, chairman of the Council of Nationalities, comes to the rostrum and starts to speak. He talks about the merits of the draft and says the work was done in an open and democratic manner, despite what certain detractors have been saying. Nishanov says the Soviet Federation is being recreated as a union of sovereign states. All peoples will be equal in the Union regardless of their size. A flexible solution has been found to the sharing of powers between the Union and the republics.

At 1849 GMT Nishanov says the area of joint competence between the Union and the republics has been spelled out quite clearly. Great importance is attached to a democratic way of forming Union bodies. The results of the referendum have been reflected quite fully. The preparatory committee has worked hard.

Nishanov then talks about the controversy surrounding the name of the new federation. The new name will be the Union of Soviet Sovereign Republics of the USSR, deleting reference to socialist. The Congress of People's Deputies wanted to keep the current name but a reasonable compromise was found. Nishanov says that times change, therefore the name also had to be changed. Nishanov talks about the deideologization of inter-state relations. He says it is not a good idea to use a political epithet in the name of the state. Nishanov says he appreciates that there will be mixed feelings over the new name.

At 1858 GMT Nishanov says there was a lot of argument during the drafting work over the negotiating process and the signing of the treaty. He adds that it was eventually agreed that the republics of the Russian Soviet Federative Socialist Republic [RSFSR] would send their own delegations to the signing ceremony. The RSFSR would sign it in its own right. Union organs advocate the country's unity.

The funding of the Union had to be decided on. Articles 5 and 6 deal with this. Attempts are continuing to weaken these provisions and turn the federation into a confederation. A democratic, federal state cannot exist without its own taxes and assets, Nishanov says. This view was voiced at the preparatory committee.

Nishanov says the preparatory committee discussed ways of forming the USSR Supreme Soviet. This is the key to a democratic, federal state. The idea was mooted of having a Soviet of the Republics. Others wanted the Soviet of Nationalities to continue. Nishanov discusses the arguments in favor of having a Soviet of the Republics. The main reason in its favor is the need to renew the Union. It will help to strengthen the country's unity.

At 1908 GMT Nishanov talks about the consequences of signing the treaty. The treaty continues the concept of a Union state as begun in 1922. He discusses the position of the Baltic republics and other republics which at the moment do not want to sign the Union treaty. He says everything must be settled in a constitutional way. The approach taken is an honest one. Nishanov dismisses idle talk about dissolving the Congress of People's Deputies. The treaty envisages a smooth hand-over from the current organs of state power to the new ones.

At 1915 GMT Lukyanov calls for order. Nishanov says that during the final drafting process the best legal minds should go over the draft and make sure it is worded in the best legal way. More attention needs to be given to economic aspects, energy, credit, among others. Economic feasibility should be given pride of place. The views of the RSFSR and the Ukraine on a one-tier system of taxation was rejected by the committee. If that happens, the Union organs will be brought to their knees. Nishanov says, on behalf of the Soviet of Nationalities, that he wishes to appeal to the Ukraine and the RSFSR to take a positive view toward this question, otherwise the Union will collapse. He also appeals for the republics to approve the treaty as quickly as possible.

He advocates copying the experience of civilized countries in Western Europe and the United States. Nishanov talks about the legal protection of Union laws. Union laws must not be questioned.

Nishanov then talks about the advocates of a Union which restricts itself to economic ties. He says he appreciates the importance of the economic factor. Nevertheless, the political union must be given preference. Other types of treaties can be signed afterwards. Nishanov says that once all the republican parliaments have approved the text of the treaty, it would be logical to summon a meeting of the Congress of USSR People's Deputies, at which the treaty would be opened for signing. At this same meeting of the Congress the Constitutional Compliance Committee could be reelected and strengthened.

Nishanov begins his conclusion by talking about a respectful attitude toward the work that has been done, important though criticism is. There has been much argument. Many irreconcilable views were expressed. The center was accused of retaining its diktat. Extremism leads to an abyss, Nishanov says. Much has changed for good. We are living in a different situation. The center of gravity has shifted toward the republics. The center cannot dictate its wishes. It is part of the negotiating process. A proliferation of treaties has to be avoided. The treaty is a major step in reshaping the country. But it is not a final solution to the problem. Each provision has to be made to work under the new conditions. Let us make an historic decision for the future of the peoples, with a sense of responsibility toward future generations. Nishanov ends at 1929 GMT.

The announcer says that in the debate that followed, most deputies spoke in favor of the draft.

At 1930 GMT Yuriy Kalmykov, chairman of the committee on legislation and law and order, speaks. He says the committee supports the draft although it has some fundamental criticisms to make. It does not do enough to

put an end to the war of laws. In fact it may intensify it. Kalmykov quotes Article 11 in this respect. This article says that republics can suspend Union laws and the Union can suspend republican laws. If this article is retained the war of laws will never end. The constitution court should resolve contradictions. If a republic has doubts, it should protest or appeal to an arbitration commission. Subsequently, the matter could be taken up by the constitutional court, whose decision would be final. The area of joint competence also needs to be spelled out more precisely. Article 8 on Union assets makes no provision for joint assets. It says Union assets are the joint assets of the republics. All sovereignty has to have an economic basis. There must be federal ownership. If this goes, the republics may start demanding their share of nuclear weapons. Without federal assets, the Union will not exist. Lukyanov praises Kalmykov for his speech.

At 1937 GMT Aleksey Boyko speaks on behalf of the committee on economic reform which he chairs. Boyko says he appreciates the wish of the republics to have economic sovereignty. He says there is no alternative to the Union treaty under current circumstances. The Yugoslav variant would be a catastrophe for the country. There is no other way.

David Kugultinov speaks on behalf of a group of autonomous entities at 1959 GMT. He says he represents minorities, ones that are unprotected. He says the Chinese do not understand what the Soviet Union is up to. Why are all these little peoples demanding extra seats at the United Nations. He says the peoples understand that their qualities are not represented by numbers. Whatever their numerical strength, all peoples on Earth are equal. Kugultinov praises the Great October Socialist Revolution, which people are trying to hush up for some reason. This was a revolution for equality from which all the minorities benefited. The Union treaty suits everyone. The treaty is as indispensable as air. This is the view of the minorities. It is the only way of getting the country out of the crisis. Only equality will prevent bloodshed. The Union treaty will protect everybody. No bullying by larger peoples or republics will be possible. Each people must independently sign the treaty.

At 1943 GMT Sergey Alekseyev, the chairman of the constitutional compliance commitee, praises the draft. It will form the nucleus of the new constitution. It gives precedence to human rights, social security, and social justice. He says it is a fine compromise. But it has some imperfections. First of all, the state must be able to raise its own taxes. There will be no Union, even as a confederation, if it is based on contributions and not taxes. Secondly, the draft still makes it possible for laws to be suspended. Article 11 legalizes this situation. Alekseyev agrees with Kalmykov on this point. Thirdly, judicial authorities must have the final say. But this is only possible when the judicial authorities are independent of other authorities. This is undermined by the provision that the constitutional court must be made up from the nominees of the Soviet of the Republics. There also needs to be a body to interpret the law. We must conclude the treaty, says Alekseyev.

Deputy Nikolay Pivovarov, chairman of the committee on building the state, says he is unhappy with the wording of the draft. Nevertheless, people must be realists. The document is based on accord among all the republics. What will happen if the Supreme Soviet does not approve the draft, he asks. He speaks in favor of the name being Union of Soviet Republics. Pivovarov says he expects some changes will be made in the finalization stage. He talks about -the changes that Tatarstan, Moldova, Georgia, and other republics have made to their constitutions and to their parliaments. New relationships are emerging throughout the system of state structures. Even municipalities are changing their systems. Mayors are being elected. Pivovarov insists that the Soviet system must be retained and made the basis of the new system. He talks about the status of Moscow, which should be consolidated in a new law.

At 1956 GMT Bikhodzhal Rakhmanova speaks on behalf of the committee on women's affairs.

At 1958 GMT Deputy Blokhin of the Soyuz group takes the floor. He says the role of the supreme bodies of power have been reduced to nothing. All resolutions of the congress and the Supreme Soviet have been ignored. There is a series of independent states, not a single state. The highest constitutional bodies of power were actually removed from on elaborating the treaty. The treaty has taken on a confederative, rather than a federative aspect. A president who possesses supreme executive power in actual fact has none. The economic basis of the supreme bodies of power is also almost totally lacking. It is unclear whether all republics will sign the treaty. What about the newly formed republics and areas where referendums where held and the population spoke in favor of the Union?

Deputy Georgiy Tarezevich, chairman of Council of Nationalities commission on nationalities policy and interethnic relations, takes the floor. His commission came to the conclusion that the treaty should be supported even though it is far from perfect. The committee thinks that the preamble of the treaty should spell out the reservation of a single economic space as one of the aims of the treaty. Taxes should be defined along four channels. Article 9 reflects the problem of the limitation of the Union's finances. This article has been reviewed throughout the discussion of the draft. Article 13 has also given rise to much debate and must be reworked. It would be more democratic to form the Supreme Soviet body by territorial principle.

At 2000 GMT Deputy Leonid Sharin, chairman of the joint committee on defense and state security, takes the floor. He agrees with deputy Tarezevich. A preparatory commission was formed at the fourth congress. The defense committee allocated specialists to the preparatory commission. The Armed Forces should be integral but this is not reflected very clearly in the draft. The

draft undermines the defense of the country and contradicts international agreement. There is concern at home and abroad over what will happen to nuclear weapons when the Union treaty is signed. Other problems will arise regarding the leadership of the defense forces. The state security forces also have been ignored in the draft treaty—a clear defintion is required of their functions otherwise there will be no intelligence or counterintelligence in the USSR.

At 2012 GMT Deputy Sebentsov takes the floor. He says the draft looks like a stop-gap one. It gives a legal basis for the disintegration of the Soviet Union. The structures of the country must be democratic under the new treaty. All the major principles have been distorted in the draft treaty.

At 2015 GMT Deputy Yeliseyev of the committee for international affairs says that he wants all republics to take part in the discussion of the draft treaty. The treaty must envisage norms of life which are of benefit to all republics. The conclusion of the treaty is that the judicial basis is insufficient. The committee stresses the importance of maintaining the USSR as a union of integral states.

At 2017 GMT Deputy Rakhimov from Bashkir Autonomous Soviet Socialist Republic takes the floor. The draft treaty is supported wholeheartedly. He says they are surprised by the resolution of the RSFSR Supreme Soviet which included Bashkiria in the Russian group signing the treaty. That decision contradicts an agreement adopted earlier by the RSFSR congress.
Deputy Mars Safiullin, from a group of deputies from Tatarstan, takes the floor. He says the recent decision by the RSFSR gives the republic the status of colony. The Tatarstan Republic approved in principle the draft treaty and entrusted its president with signing it independently. Tatarstan is prepared to make its contribution but everyone respect each other.

At 2023 GMT Deputy Nikolay Feskov of the budget and planning commission takes the floor. The new control functions of the supreme body should be preserved. A Union body of financial control is needed and the control chamber of the USSR would fulfill these functions. Speaking of the formation of the Union budget, he says that as it stands today it would not permit the all the functions of the Union to be fulfilled.

At 2025 GMT Deputy Galina Fomenko of the Communists' group says the treaty should be signed as soon as possible. She says that the results of the referendum should be taken into account and the treaty fails to do this in some respects. She touches upon the question of citizenship and says there is the tendency to turn citizens of the Union into hostages of the instability of the political situation.

At 2028 GMT Deputy Bushuyev takes the floor. The draft treaty should deal with the problem of the denationalization of property otherwise there will be chaos. The question of security is also viewed too narrowly—it is not just the KGB and the Army, but also dealing with disasters, etc. Oil, gas, electricity, and other systems should be dealt with in more detail individually and not lumped together as they have been in the draft. Speaking of inter- republican treaties, he says there will be unpleasant consequences, because there will be too many treaties and not enough practical cooperation.

At 2031 GMT Deputy Burlatskiy of the Soglasiye group voices support for the draft treaty. He says economic interests will gain the upperhand over passions.

At 2033 GMT Deputy Arkadiy Veprev, chairman of the committee for agricultural policy, takes the floor. He says the committee approves in principle the treaty and thinks that it should be signed as soon as possible.

Deputy Isakzhan Saydakhmedov of Uzbekistan takes the floor at 2034 GMT and discusses responsiblity of the deputies and the Supreme Soviet for the war of laws. There are those today who say that the treaty has been foisted upon the country. The new union must be built with the new way of thinking, with a new economic policy. Uzbekistan is ready to sign the treaty and calls upon all to sign it.

At 2037 GMT Deputy Nikolay Gritsenko of the committee for labor takes the floor. The committee put forward 20 proposals for the treaty some of which have already been taken into account and others are still to be discussed. He quotes the preamble of the draft treaty and the rights which are laid down in it. He quotes figures for unemployment in the USSR and says that this can be avoided if a migration policy is adopted. Only five republics have adopted laws on employment so far. A treaty on employment and social protection is needed between the republics to guarantee citizens' rights.

At 2040 GMT Deputy Irina Andreyeva of the citizens' rights group takes the floor. She says the Union is needed to guarantee democracy and to prevent totalitarian tendencies.

At 2042 GMT Deputy Umtal Orozova from Kirghizia takes the floor. He says the new Union should be economically independent. A federal tax is needed.

At 2043 GMT the announcer says that half of the 55 who wished to speak did so. The discussion will be continued tomorrow when the final decision probably will be made. There was discussion of the practice of paid education and concluded that education should be free.

The recording ends at 2044 GMT.

Political & Social

CPSU on Shevardnadze's Resignation From Party

CM1107174391 Moscow TASS International Service in Russian 1432 GMT 11 Jul 91

[Text] Moscow July 11 TASS—The Bureau of the Presidium of the Soviet Communist Party's Central Control Commission today issued the following report:

INTERFAX News Agency circulated Eduard Shevardnadze's statement of July 3, 1991, addressed to the Soviet Communist Party's Central Control Commission. In the statement he announced that he quits the party. Shevardnadze sent a copy of the statement to the primary party organisation of the Soviet Foreign Ministry. In accordance with the party rules, the organisation will discuss the termination of his membership of the Soviet Communist Party.

Because of the tone of Shevardnadze's statement, we feel obliged to state our opinion on some of its points.

First, it is apparent that the motives prompting Shevardnadze's announcement of his withdrawal from the Soviet Communist Party are far-fetched. The main of these motives is allegedly the resolution by the Presidium Bureau of the Soviet Communist Party Central Control Commission about conducting a party investigation (that is an all-round study of circumstances) in connection with Shevardnadze's statement made during a trip abroad that a new democratic party "acting parallel with the Soviet Communist Party" should be founded in the USSR.

In view of the fact that it was made not at a plenum of the Central Committee whose member he is and not in the Soviet party press, the Soviet Communist Party Central Control Commission invited Shevardnadze to establish what kind of party a member of the Central Committee intends to initiate.

Such invitations by the Central Control Commission are nothing extraodinary. Leaders of various currents in the Soviet Communist Party were recently invited by the Central Control Commission for a comradely debate to elucidate positions, and their response was quite loyal. Therefore it is perplexing why member of the Central Committee Shevardnadze regards an invitation to the Central Control Commission as an "inquisition-like inquiry".

Meanwhile it is well-known to party members that the party's new control organs considered within a year more than 3.5 thousand appeals by communists to the 28th Congress of the Soviet Communist Party. A good name and party membership have been restored to many of them. What kind of inquisition is this?

Second, Shevardnadze's groundless statement that under no circumstances should he become a defendant in such a trial looks unethical, to say the least.

Communists who address the Central Control Commission wonder on what this assertion rests. The Central Control Commission acts strictly in accordance with the provision and other documents endorsed by the 28th Congress, in whose drafting Shevardnadze participated as a Politburo member.

And one more thing. We believe that the demarche of the person who held important party and state positions for long is a cover for the real reasons why he quits the party. Shevardnadze was hardly sincere when he said that that decision had not come easy. Most probably Shevardnadze, unwilling to share the responsibility for the present situation in the party, gave up active struggle to implement CPSU policy abd actually began to create a new party in opposition to it.

Thus Shevardnadze's statement is the logical conclusion of the degeneration of his political views. Regardless of the decisions of the primary party organisation or the Soviet Communist Party's Central Control Commission, he put himself outside the party.

Shevardnadze Elected Democratic Party Leader

LD1107220691 Moscow Russian Television Network in Russian 2000 GMT 11 Jul 91

[From the "Vesti" newscast]

[Text] Today at a meeting of the founders of the Movement for Democratic Reforms Eduard Shevardnadze was elected chairman of the Organizing Committee for preparing the first congress of the movement.

[Moscow Radio Rossii Network in Russian at 2030 GMT on 11 July in a shorter report adds: "Arkadiy Volskiy, Ivan Laptev, Eduard Shevardnadze, and Aleksandr Yakovlev became cochairmen of the movement."]

Meanwhile the CPSU Central Control Commission circulated a statement in connection with Shevardnadze's resignation from the party. It describes the reasons put forward by the former foreign minister to explain his action as contrived.

The document says that Shevardnadze's statement has logically concluded the process of regeneration in his political views. Irrespective of the decisions by the CPSU Central Committee he has already placed himself outside the party.

Shevardnadze Political Legacy Criticized

PM1007103091 Moscow SOVETSKAYA ROSSIYA in Russian 3 Jul 91 First Edition p 4

[Eduard Limonov "Letter From Paris": "Two Drops in the Ocean of Insight"]

[Text] I happened to come across (in LITERATURNAYA GAZETA No. 14 and OGONEK No. 15) two items devoted to the Shevardnadze family. LITERATURNAYA GAZETA had an interview with the husband, OGONEK with the wife. Chronicles of worldly life do not attract me, but I am extremely interested in new leaders, and so I read the items with pencil in hand. I wanted to understand what kind of person he is—this omnipotent man, until recently a man of the regime.

This is what I learned from Eduard Amvrosiyevich, with F. Burlatskiy's help. It seems that there exist forces and ideas that can, for the sake of argument, be called the

forces of Good. They bear the following names: "the policy of new thinking," "the achievements of perestroyka," "the ideals of perestroyka," "the principle of panhuman values," "civilized statehood," "a civilized society." In this society, Shevardnadze helpfully explains, "you have a ruling party and you have an opposition." (It is easy to see that "civilized" is Eduard Shevardnadze's favorite word.) It is very easy to tell who's who, Shevardnadze claims: The litmus test is human rights. "You can judge from this what kind of system you are dealing with—civilized or uncivilized."

The snow-white forces of Good are opposed, naturally, by the forces of Evil. In the ex-minister's opinion, this means: "the old stereotypes of behavior and thought"; someone or something, somehow, is "reviving the image of the internal and external enemy." It means "reactionary forces seeking to reject panhuman values, replacing them with the postulates of the class struggle"; it means "the old order."

Shevardnadze assesses his own activities as foreign minister thus: "...We worked, let us say: selflessly. And in some things we succeeded." "When we were first starting out with Reagan, he used to call us the 'evil empire'"... "I believe that our republics should arm themselves with the experience of seeking consensus that has been accumulated in international affairs..."

I learned that Shevardnadze is not against a "democratic opposition." "I respect any democratic movement." The ex-minister thinks that "the country is literally ablaze." Although the country is ablaze, he is "categorically opposed to using the Army for punitive purposes... Let us impose order by methods and means that are appropriate to democracy."

How does Eduard Amvrosiyevich see the future of this blazing country? "When a society lacks the most elementary order, a **totally unknown figure** can appear on the scene—and persuade many people to follow him by promising 'iron discipline.'" And the ex-minister concludes that "capable, effective people of a progressive orientation are needed."

By the time I got as far as "progressive orientation," I thought despondently that it is beyond me to understand Eduard Amvrosiyevich, and that for me he will remain a mysterious personality firmly hidden behind the armor of the new language of perestroyka—"perestroyka-speak." I was on the point of folding up my LITERATURNAYA GAZETA, when in the very last column I came across the following lines—something concrete at last, thank heavens: "I remember a meeting with Savimbi, the Angolan opposition leader. The propaganda was not flattering to him, to put it mildly, and it was not without misgivings that I agreed to talk with him. He turned out to be a **highly educated man, a doctor, an intelligent person**. We then had a very good talk and came to an understanding on many things."

And here I found the key to the personality of Eduard Amvrosiyevich Shevardnadze. Let us dwell on Angola for a while, on Savimbi's position and personality, and I will explain to you what kind of a man Shevardnadze is.

At the time of the revolution in Portugal (1974) there were three national liberation movements in its former colony of Angola, the MPLA [Popular Movement for the Liberation of Angola] (leader Agustinho Neto, founded in 1956), the FNLA [National Front for the Liberation of Angola] (leader Holden Roberto, founded in 1962), and UNITA [National Union for the Total Independence of Angola] (founded in 1966, leader Jonas Savimbi, former "lieutenant" to Holden Roberto). I invite the reader to consider the fact that Jonas Savimbi has now been waging his struggle for power for 16 years in succession (if you start counting from the time independence was declared). He is responsible for the fact that war has raged in the country throughout the life of a whole generation. He is responsible for South Africa's military incursions into Angola's territory. He is responsible for mountains of corpses...

And here we have Shevardnadze and Savimbi "having a talk and coming to an understanding" through an interpreter. The key to the Shevardnadze enigma is here. The point is that he started his party career extremely early ("at that time he... was studying at the Higher Party School. Before that, he worked as secretary of a komsomol [Communist Youth League] gorkom [city committee]... in 1951 Stalin was still alive," Madame Shevardnadze tells us in the OGONEK interview). He considers himself a poorly educated man. Naturally, he did not have time, if he was already a komsomol gorkom secretary by the age of 20! And so Eduard Amvrosiyevich reveres education. According to the "propaganda," which was "not flattering" (Soviet propaganda, presumably?), it appeared that Savimbi was an enemy, a bad man, that is, uneducated, but when Shevardnadze met with him he was surprised: "**He turned out to be a highly educated man, a doctor, an intelligent person**," that is, by the same logic—a good man, one of us. In my view, if the enemy of our friends and allies (and the USSR is linked to Angola by a friendship and cooperation treaty dating from 8 October 1976) turns out to be an educated and intelligent enemy, that makes him all the more dangerous to our allies.

Respect for education and the thirst for knowledge are praiseworthy qualities. Shevardnadze, with his respect for highly educated and intelligent people, was merely incautiously expressing admiration for an authoritarian leader with an Oxford education (a terrorist, in the last analysis. And that is the kind of people that perestroyka has been busily raising for six years now in outlying areas of the country, which it has turned into incubators for future Savimbis in khaki), but behind this admiration one can clearly perceive the method, the approach, the new thinking. The method amounts to this: Anyone who is intelligent, educated, civilized, and knows how to swear by "human rights" and recite the declension of the noun "democracy" is one of us. All "civilized" people are on our side, they are positive and good people. Highly educated people: the linguist Ter-Petrosyan, the

writer Zviad Gamsakhurdia, and even more so the man of music Vytautas Landsbergis and the poet Ivan Drach—you can talk and come to an understanding with people like them, but our children and grandchildren will then be forced to spend decades waging war on these highly educated people.

That nice woman Eduard Amvrosiyevich's wife touchingly informs us that her husband "read a great deal, from childhood... When I married him he probably knew literature better than I did. He is generally a humanitarian kind of a man..." We also learn from her that "he is obsessed with work. Even on Sunday he always worked..." "I was always amazed by his capacity for work, especially on trips. Just imagine, we went to Africa: seven countries in eight days. They were not short flights—five or six hours. As soon as he is on the plane, he gets out his papers, calls his aides, starts working..." (Was it on this same brief visit that Shevardnadze found time to come to an understanding with that "intelligent man"?)

If I was trying to write a snide article and mock the ex-minister, I could find plenty of gems in the interview with his wife, which sometimes degenerates into anecdote.

But my aim is different: I am trying to discover who governs the USSR today, what kind of people. And it is with distress, fear for my homeland's fate, and astonishment that I am finally forced to note this. I have the impression that Eduard Amvrosiyevich Shevardnadze is an irreproachable family man, a good person, and an absolutely incompetent diplomat and politician.

That is why I cannot agree with the assessment of Shevardnadze's work made by the USSR president (an interested party), nor with that made by his loving wife, who declared: "It's just that my husband is a God-given diplomat. After all, diplomats, like artists or poets, are born, not made. However many academies you finish, nothing will come of it, unless it's in your blood. From the first, he only had to master the factual material—how many missiles we have, what kind, and so forth... **He had been a diplomat all his life.**" No doubt, in the aquarium of selected youths at soviet party schools and komsomol obkoms [oblast committees] and subsequently in the even smaller aquarium of obkom and republic party first secretaries, Eduard Amvrosiyevich could swim, knew how to keep afloat, with what force to flick a fin, that is, to shake a hand, what to say and when, and when to keep silent. He knew the diplomatic code in that pond. But diplomatic behavior in a small pond, that is, the art of handling people and getting on with them in an aquarium, has nothing in common, if dear Madame Shevardnadze will forgive me, with Foreign Ministry diplomacy! International diplomacy is the art of imposing your own terms on your opponent. Her husband was given his post for political services, for supporting Gorbachev's election as general secretary. He had no experience of international work. Shevardnadze arrived in the world of international diplomacy as an outsider, an amateur. That is a huge drawback. Usually, in the foreign ministries of countries throughout the world, diplomats make their way up gradually, starting with the most junior posts, acquiring experience, and only then being allowed into the top, responsible posts.

You know what is happening in Georgia, where Shevardnadze was first secretary and Madame Shevardnadze "first lady" (in OGONEK's phrase) for a long time. Let us look more closely at the deeds of Shevardnadze the minister. Shevardnadze's main achievement is considered to be the unification of Germany and the "emancipation" of the countries of Eastern Europe. Not all the circumstances of the "emancipation" are known to public opinion. It cannot be ruled out that, as Colonel Alksnis insists, the "velvet revolutions" were organized by embassies... Let us look at the unification of Germany, which undoubtedly did take place. Again I quote Madame Shevardnadze: "On the eve of the session, he was told that a conspiracy was brewing against him and that some reputable conservative officials were planning to speak out against him and accuse him of unifying Germany." "But Gorbachev got the Nobel Prize for the unification of Germany!.." (that was the snide rejoinder by the OGONEK interviewer).

Whoever initiated the unification of Germany, the important thing here is not the fact of unification, but the **terms** on which it took place. And it took place on terms that were disadvantageous and dangerous to the USSR. It is therefore a pity that the "reputable conservative officials" were only planning to speak out. They should have spoken out, and resolutely at that... If Eduard Amvrosiyevich was working so hard all those years, he must have come across documents dated July 1952 in the "Germany" file in the Foreign Ministry archives. No less a personage than his fellow countryman Iosif Vissarionovich Stalin at that time proposed to **unite** the two Germanies (which, it is apposite to recall here, were originally divided not on the USSR's initiative, but on the West's) **on condition that the united Germany is a neutral** country. The West rejected this proposal of Stalin's, like some of his other proposals about alliances.

And here we are in 1990 (that is, 38 years on) with a Germany united through Eduard Amvrosiyevich's efforts, becoming a NATO member. That is directly counter to the USSR's interests, both political and economic. Whether the climate is one of new thinking or old, communism or capitalism, the geopolitical interests of countries remain unchanged, like their geography. Let us remember that war had to be waged on Germany both under the tsars and under Stalin. Iran, for instance, is pursuing the same foreign policy as it was 4,000 years ago. I repeat, it is not the fact of Germany's unification, but the 80 million industrious, disciplined Germans within NATO that is contrary to our interests. And not only ours. Germany's immediate neighbors—the Poles and the French—are very concerned. (Though Mitterrand and his Socialists forced a smile at the unification.) And Israel is not exactly delighted. And even the United States has several times indicated that it would have

preferred it if all this had happened more slowly. Eduard Amvrosiyevich was in a hurry. If he had not hurried, friendlier regimes would have come to power in the East European countries (albeit a little later). The less "civilized" Georgian Iosif Vissarionovich, let us observe, had far more experience of "base," simple life than the aquarium-raised Eduard Amvrosiyevich, who rashly regards every educated, intelligent person as his friend and ally. Without a doubt, Iosif Vissarionovich was a tyrant, but it would be unjust to deny that he had sound diplomatic sense when he chose to use it. And he used it often: in 1936 and after Munich, and in 1952, in July, when the West said "no" to the idea of a united neutral Germany and he diplomatically left them with two Germanies. The characters of the two Georgians who played a historic role in Germany's destiny are, as we can see, opposites. If Iosif Vissarionovich was a tyrant, what is Eduard Amvrosiyevich? What can you call him? An altruist? Or to put it more accurately: an incompetent dilettante? Be that as it may, he does not possess the art of imposing your own terms on the opponent (and that is what **diplomacy** is).

Shevardnadze, if we are to believe his wife, worked, read, and supplemented his education, but what did he read? Abstractors only translate fashionable books into Russian. You can learn some things. But no abstract could teach Shevardnadze the details of that **civilization**—Western democracy—toward which he is, I will venture to say, indisputably drawn (as is indicated by his remarks cited above). But he does not know the West, he has only sped through its capitals in a bulletproof car with a police escort on the way from the airport to the special hotel; just as he does not know Africa after leafing through the files during the flight and spending 27 hours, minus flight time and sleeping time, in each country. If he did know it, he would not keep making a fool of himself. Anyone from the West, from over there, could not read the emotional nonsense expounded by Eduard Amvrosiyevich, for instance, about how he "is categorically opposed to using the Army for punitive purposes," or about his intention to **"impose order by methods and means that are appropriate to democracy."** If the Soviet democratic press can be forgiven its ignorance (what a terrible fuss it made about the introduction of joint—militia and Army—patrols), it is totally unforgivable for an ex-minister of foreign affairs not to know (what are those fine boys the aides thinking of?), at least in general terms, how his beloved democracy-civilization functions.

Esteemed Eduard Amvrosiyevich, in France, the world's oldest democracy, the Army's daily presence in the streets has been legal for several decades. On your diplomatic visits to Paris you may have seen in the city's hot spots dark gray (a new model has appeared recently: blue and white) armored buses with muscular guys reposing in them, wearing dark blue coveralls and matching caps. The guys are armed not with pitiful little bayonets, like the Soviet patrol soldiers, but with ultramodern carbines and automatic weapons. In addition, each of them has a revolver at his side, and more serious arms are kept in the buses. These are specially trained army units: the CRS, and they are, naturally, subordinate to the Defense Ministry. CRS men with automatic weapons, wearing bulletproof vests, are also on patrol 24 hours a day (in addition to the "normal" police formations. France has 12 different police forces in all!) outside administrative buildings and embassies; but their main function is crowd control. The buses are permanently anchored at places where people congregate—the Les Halles district, which is popular with young people, the Champs-Elysees, the Place de la Republique, Bastille Square, and so forth. At the slightest indication, reinforcement buses speed across paris with sirens blaring. The CRS have won a reputation for dispersing demonstrations by the harshest methods, as is indicated by the widespread graffiti on the walls of Paris, "CRS equals SS," but the constant presence of crack army subunits in the streets undoubtedly deters criminals. Here the Army is a **means of imposing order appropriate to democracy**, Eduard Amvrosiyevich! Plus 12 kinds of police.

Shevardnadze did not explain to Burlatskiy what the "new thinking" is, in his opinion, nor what the "principle of panhuman values" is. But what I think is this: What if (to the great misfortune of Soviet people) Eduard Amvrosiyevich's "principle of panhuman values" is an ignorant attitude to politics and diplomacy, and the "reactionary forces that seek to deny" this principle are sensible people—those who are trying to return to the practice of normal political and diplomatic relations? After all, the ignorant, in all countries of the world, always complain (in the United States and in France too): "Why should we help other countries? Why should we support their regimes? We are not rich ourselves... We have our own unemployment..." The diplomat and the politician, however, know the reason: in order to exercise influence, in order to have more countries who are friendly to you, and sometimes simply in order to prevent them becoming our enemies...

True, it is costly and inconvenient, and you often have to support unpleasant regimes, but it is necessary. This is what the United States, France, Britain, and the smaller European and non-European countries do. It is what the USSR used to do, before the advent of the "principle of panhuman values." The policies of the United States and West European countries, as far as you can judge from the Iraq war, have not only failed to adapt to the "new thinking," but have returned (the USSR has stepped aside and capitulated as a great power) to the principles of cannibalism.

What if Eduard Amvrosiyevich the amateur diplomat, armed with the "new thinking," and his diplomat and amateur politician friends have made a mess that even our grandchildren will have trouble unraveling?! They installed regimes hostile to us in Eastern Europe, sanctioned the Iraq carnage, drove away the masses in the Arab world, lost hundreds of millions of friends (even if they were impoverished friends), ruined friendships that

had been carefully cultivated for 70 years... And what did they gain? For what purpose did they renounce the old friendships? To win the love of the West? Did Eduard Amvrosiyevich "start out with Reagan" (he complained to Burlatskiy about how tough and difficult it was to "start out") for the joy of receiving from Bush the endearment "good empire"? Is it from Reagan and Bush that the Soviet land seeks praise?! Whereas formerly the West was afraid of the USSR, now it despises it. The West cannot love the USSR, or even a severed RSFSR [Russian Soviet Federated Socialist Republic]. Geography, and 150 million Russians at its gate, have doomed the West to perpetual distrust of us, to fear, to strategic lovelessness, if I can put it like that. What does the "principle of panhuman values" have to do with it? This principle is the basis of Christianity's 10 Commandments and the 30 commandments of the Universal Declaration of Human Rights. According to Eduard Amvrosiyevich, respect for human rights is a sure sign of a civilized system. We have just seen a coalition of 29 countries, headed by the most zealous missionary apostles of human rights—the United States, Britain, and France—acting like cowards in bombing off the face of the earth between 100,000 and 300,000 Iraq peasants armed with personal weapons. The first human right is to be alive. So what if human rights were violated by the coalition in the name of "international law"?!

Cliches and turns of phrase that are humiliating to the Soviet state have become widespread in the Western press, radio, and television. "The United States wants to reward the USSR with a summit meeting for its good behavior in the Iraq conflict," I once heard on the BBC. Eduard Amvrosiyevich cannot grasp this nuance, the insulting word "reward" will not be translated to him. The day after the unification of Germany, when an interviewer for Radio France International put this question: "What if the USSR reconsiders and does not want to withdraw its troops from the GDR?", a certain Schultz, a staffer at the FRG Foreign Ministry, replied scornfully: "The USSR can't do anything. It is so weak that we are not taking it into account." These two examples are just two drops in the ocean of contempt.

As you can see, Eduard Amvrosiyevich's "new thinking" in the sphere of international relations prompts unreserved approval in the West. I heard recently that Shevardnadze is being tipped for UN secretary general. If that happens, what actions by the West will Shevardnadze sanction? A campaign by Western countries against "uncivilized" Cuba, which does not respect human rights? War on China?

What is the reason for the simultaneous publicity suddenly offered to Eduard Amvrosiyevich by OGONEK and LITERATURNAYA GAZETA? I found the reason in a remark by Anastasiya Nitochkina, the OGONEK interviewer: "Gorbachev has sold another man from his team."

Medvedev Remarks Show Supreme Soviet 'Must Go'

PM1107155691 Moscow ROSSIYSKAYA GAZETA in Russian 11 Jul 91 p 2

[Article by ROSSIYSKAYA GAZETA political observer Igor Korolkov under the rubric "The Press": "What the Apparatus Conceals, Historian Roy Medvedev Blurts Out"]

[Text] "The present Supreme Soviet, it must be said frankly, ensures the leading role of the Communist Party. When there are new elections, the party will be removed from power throughout the country. And that will be fatal to the state and to the people, because there is no alternative force capable of assuming the leadership." So said historian Roy Medvedev in an interview for SOVETSKAYA ROSSIYA (5 July 1991).

Only three sentences, but it seems to me that they cast additional light on a question that torments many people: Why was Roy Medvedev able, even in the darkest days, to get published abroad and stay afloat, when others were cruelly persecuted by the authorities for lesser sins? The system could obviously distinguish "one of us" from "one of them." Because not one of the dissidents of the seventies contrived to make an assertion contrary to the very nature of dissidence—the rejection of official ideology, the CPSU's capability to run the country.

By saying that the present USSR Supreme Soviet "ensures the leading role of the Communist Party," Roy Medvedev stated openly what the CPSU itself tries to deny, and still more the Supreme Soviet. After all, Article 6 of the USSR Constitution on the leading role of the CPSU in society has been repealed, and party leaders are trying to prove that, with the repeal of this article, the CPSU is now on equal terms with all other political formations. The Supreme Soviet, for its part, would like to be regarded as the mouthpiece of the interests of the whole of society, independent of all parties, particularly the Communist Party, but the present composition of the Supreme Soviet, where the influence of the "Soyuz" group, known for its reactionary views, is very strong, reflects to a greater extent the interests of that section of society which understands that avoiding reforms is impossible, and which would like to adapt them to "suit itself."

Life has overtaken the Supreme Soviet. All its present activity is reminiscent of the activity of the crew of a ship stranded on a sandbank: The captain gives orders, the crew bustles about, and everyone acts as if they were sailing. You would have to be a very dim-witted politician not to see that the center of power is shifting implacably to the republics; that the Novo-Ogarevo process is a good thing in our strife-torn society; that it is the real "roundtable" of consensus which, incidentally, the CPSU itself calls for. But the CPSU apparently sees consensus on a different basis: not consensus among everyone, but consensus of everyone with the CPSU

itself. Clearly it would like to continue to see itself at the center of political interests, as it was yesterday.

The miners grasped that very well, and therefore defined their demands clearly: Fight the most important thing—the CPSU's influence on state structures.

Eastern Europe has eliminated that influence. And, as we can see, it is beginning to emerge from crisis.

Objecting to the dissolution of the Congress of USSR People's Deputies and the Supreme Soviet, Roy Medvedev says: "...New deputies' seats might be given to those who are not the most worthy, but the noisiest." Roy Aleksandrovich's logic is bizarre: Undemocratic or only partly democratic elections are capable of putting worthy people in power, but democratic elections can only advance unworthy people.

Roy Medvedev thinks that the CPSU's final removal from power everywhere will be "fatal to the state and to the people." Here, as often happens in people's ideas about the CPSU, everything is upside down. What is fatal is not the Communist Party's removal from power, but the fact that it is not supported by the people but is still in power, generating a mass of contradictions and conflicts.

Through his frank remarks in SOVETSKAYA ROSSIYA Roy Medvedev not only added another brushstroke to his political portrait, he also confirmed yet again: The Supreme Soviet, which pursues the line of a bankrupt party, must go.

'Mysterious' Purchase of Il-76 Aircraft Noted

LD1107231691 Moscow Central Television First Program Network in Russian 2045 GMT 11 Jul 91

[From the "Television News Service" program]

[Text] Many economists think that active conversion is the most radical means of curing our economy. The problems of conversion affect everyone - even exchange officials in the capital. [video shows people listening to speakers on a platform and taking notes]. The other day, the Moscow commodity exchange was the intermediary between two firms which remained incognito. Firm X sold firm Y nine Il-76 military transport aircraft. The deal was worth more than 200 million rubles. [video shows reporter interviewing A. Kazaryan, a broker at the Moscow Commodity Exchange]

[Kazaryan] The point is that he does not advertise himself anywhere, and nothing is written or said anywhere about who he is—that is, his registered address or whom he is, in general, representing. The same, incidentally, applies to the purchaser. And, in the present situation, I am not authorized to say who they are, since there was that condition. The only thing I can say is that, as of the present day, the purchaser and the seller are the most real ones in the Soviet Union—precisely that seller and that purchaser—who have the right to do that. [video shows an Il-76 aircraft in flight; view of inside of cockpit].

[Announcer] In the corridors of the Moscow Commodity Exchange, rumours are circulating to the effect that the mysterious purchaser of the Ilyushins is preparing to organize an alternative enterprise to Aeroflot for transporting civil freight and ultimately passengers too. Then further large-scale deals will occur. Well, we'll wait and see.

Newspaper, Magazine Subscription Prices Increased

LD1107141591 Moscow Central Television First Program Network in Russian 1200 GMT 11 Jul 91

[From the "Television News Service" program]

[Text] The cost of subscribing to periodical pubications for 1992 has become known. Prices for central newspapers have increased slightly. Annual subscription to IZVESTIYA, PRAVDA, and SOVETSKAYA ROSSIYA will be R29.04; for ARGUMENTY I FAKTY it will be R9.88; for KOMSOMOLSKAYA PRAVDA, R27.60; for TRUD, R28.92; for KOMMERSANT it will be R96.00; for MOSKOVSKIYE NOVOSTI, R41.60; for LITERATURNAYA GAZETS, R36.40, and for SOBESEDNIK, R31.20.

Subscriptions to magazines will also go up slightly. YUNOSST will be R21.00; RODINA, R24.00; EKHO PLANETY, R72.80, and OGONEK R46.80.

Next year, many people probably won't be able to afford NEZAVISIMAYA GAZETA, although it will be published daily. The cost of its annual subscription will be R114.00. Although not all of those citizens who can pay the money will be able to receive the newspaper. The editor-in-chief thinks that the subscription for next year will be limited and not more than 300,000 subscribers will be able to receive it.

The subscription to the KOPEYKA newspaper will be the cheapest, it will amount to R00.50 [figure as heard] per year.

All communist publications will be relatively cheap. A subscription to RABOCHAYA TRIBUNA will be R27.60. It look as if even a pauper can subscribe to the weekly of the CPSU Central Committee, GLASNOST. It is only R9.00.

Prices for some newspapers and magazines published in republics have increased sharply. Thus, subscription to the popular Estonian newspaper GOLOS NARODA will be R175.08. In a word, glasnost is becoming more expensive every day.

Defense Ministry To Set Up News Agency

LD1107200191 Moscow Russian Television Network in Russian 1700 GMT 11 Jul 91

[From the "Vesti" newscast]

[Text] The USSR Defense Ministry has decided to set up its own news agency—INTERVOYENINFORM. As reported in the order by Defense Minister Yazov, the main task of the new agency is to circulate objective information on the USSR Armed Forces.

CPSU Budget Regulations Published

PM1207093791 Moscow PRAVDA in Russian 28 Jun 91 Second Edition p 2

[Unattributed report under the "Party Life: New Documents" rubric: "Mechanism for Forming, Implementing, and Monitoring the CPSU Budget"]

[Text] The CPSU Central Committee Secretariat has approved the "Mechanism for Forming, Imnplementing, and Monitoring the CPSU Budget." It is the first time in the party's history that such a document has been elaborated, and in fact it will be an essential element of the regulation of the CPSU's financial and budget activities. We are publishing the text of the document for PRAVDA's readers.

I. General Provisions

The CPSU budget comprises income from members' dues; deductions from the profits from publishing and production and economic activity; voluntary contributions and donations from Communists, individuals, enterprises, and organizations; and other lawful revenue, and expenditure on the party organizations' political and organizational work, the development of the material base and economic backup for their activities, and the financing of targeted party programs.

The formation of the CPSU budget begins with the determination of primary party organizations' budgets. The amount of up to 50 percent of membership dues that is used to finance their activities is part of the CPSU budget and is included in its income and expenditure. The CPSU budget and the budgets of Union republic communist parties and of republican, kray, and oblast party organizations show the funds used for primary party organizations' needs in a special section of the expenditure part of the budgets—"Financing Primary Party Organizations' Activities."

In its budget policy the CPSU acts on the basis of the principles of self-financing, Union republic communist parties' transition to covering their expenditure from their own sources of revenue, glasnost in the formation and implementation of the party budget, its subordination to party organizations' and Communists' interests, and autonomy for the party organization in forming and handling its own budget and in solving structural, staffing, pay, production, economic, and other questions under their jurisdiction.

Financial commissions comprising secretaries of party organizations, members of elected organs and the aktiv, specialists, and party workers, will be set up at party committees to elaborate proposals on financing party organizations' activities. The commissions collaborate closely with councils of primary party organizations' secretaries and take the councils' decisions into account when preparing proposals. The financial commission's membership is approved by the relevant party committee plenum.

The CPSU Central Committee elaborates general party budget policy and the principles of pay for party organizations' workers, provides methodological backup for party organizations' financial and production and economic activities, and performs other functions envisaged by the CPSU Statutes and the mechanismn for forming, implementing, and monitoring the party budget.

The CPSU budget and the report on its implementation are approved by a CPSU Central Committee plenum, party organizations' budgets and budget reports are approved at plenums of the relevant party commtitees or at party meetings, and Communists are informed of them by the party press.

Prior to approval, the reports on the implementation of the party budget are examined by the relevant party organizations' control organs and the report on the implementation of the CPSU budget is examined by the CPSU Central Control Commission.

II. Financing CPSU Activities

CPSU activities are financed locally and centrally.

1. Local Financing

1.1. Local financing is the basis of financial backup for the activities of Union republic communist party organizations.

1.2. Union republic communist parties are autonomous when it comes to forming and implementing their budgets and determining the procedure for the formation and implementation of the budgets of their party organizations.

1.3. Union republic communist parties' budgets can delimit republican, kray, and oblast income and expenditure, thus ensuring through their distribution and redistribution the requisite conditions for the activities of all party organizations.

1.4. Union republic communist party revenue will include party membership dues, deductions from the profits of party publishing houses and subordinate enterprises and organizations, revenue from production and economic activities, voluntary contributions from Communists and individuals, and other lawful revenue.

Union republic communist parties can be allocated material assistance (subsidies) to finance expenditure, depending on the financial potential of the CPSU budget.

1.5. Up to 50 percent of memebrship dues, voluntary contributions, and other lawful sources is used to finance primary party organizations' activities.

In order to keep funds and conduct financial transactions, primary party organizations will use accounts opened in accordance with the proper procedure at bank branches or the cash office and account of the corresponding party raykom [rayon committee], gorkom [city committee], or okrug committee.

Primary party organizations will retain any funds that are not spent in the current year, as well as profits from their own production and economic activities. Superior party committees are not allowed to seize a primary party organization's funds without its consent.

On the recommendation of financial commissions under party committees and secretaries' councils or on a decision by the party organization's Communists, some of the money at its disposal can be used to give material support to primary, rayon, city or okrug party organizations or party veterans that need it, to provide incentives for Communists and party cadres and retraining and study courses for them, to finance targeted party programs and measures, and for other purposes that do not contravene current legislation and the CPSU Statutes. In the event of the abolition or disbandment of the primary party organization, CPSU property that was under its day-to-day management, including money, is transferred to the superior party committee and used for purposes stipulated by the CPSU Statutes.

1.6. Any money saved after the implementation of the party budget remains at the disposal of the relevant party organizations and is used to finance their activities and provide for targeted party programs and measures.

2. Centralized Financing

2.1. Centralized financing is funded by deductions from the profits of central party publishing houses, revenue from the production and economic activities of the CPSU Central Committee Administration of Affairs, its subdivisions, and its subordinate economic activities and organizations, part of the membership dues of Communists who are on the roll of extraterritorial party organizations, funds the CPSU Central Committee has decided to allocate from the party's reserve fund, and other lawful CPSU budget revenue.

2.2. Union republic communist parties pay money into the centralized financing fund to finance general party programs and measures, to give material support to party organizations that need it, and to replenish the party's reserve fund.

The size of these payments is determined when the party budget is formed by agreement between the CPSU Central Committee and the Union republic communist party central committees.

2.3. Party organizations experiencing temporary financial difficulties and unable to adequately cover their expenditure out of their own income prior to the switch to self-financing will receive material assistance from central funds, depending on the financial potential of the CPSU budget, in some cases on reimbursement terms.

2.4. The following are centrally funded:

CPSU Central Committee activities;

CPSU Central Control Commission activities;

central party institutions and educational establishments of the CPSU Central Committee and under the CPSU Central Committee;

branches of the V.I. Lenin Central Museum;

higher party schools (political science institutes), in the form of subsidies for their upkeep, taking into account the income from scientific research and production and economic activities, and also the introduction of training and cadre skill enhancement that is to be paid for, including the training of cadres for party organs;

development of the material base of party organizations and party publishing houses (construction of production facilities and economic facilities and administrative buildings);

other programs, measures, and facilities of general party importance which the CPSU Central Committee Secretariat decides to finance.

2.5. Central funds for the upkeep of branches of the V.I. Lenin Central Museum and higher party schools (political science institutes) and for the development of the material base of party organizations and party publishing houses will be allocated to the budgets of the relevant Union republic communist parties for those specific purposes.

2.6. Unused central funds that have been allocated for the construction of party organs' and party publishing houses' facilities go to the CPSU reserve fund at the end of the year. Branches of the V.I. Lenin Central Museum and higher party schools keep any savings made on the implementation of estimates.

III. Organization of Party Budget Monitoring

1. Monitoring of the implementation of the CPSU budget is performed by the CPSU Central Control Commission in accordance with its Rules.

2. Monitoring of local party organizations' financial and production and economic activities is carried out by superior party committees and corresponding control and control and auditing commissions.

3. The CPSU Central Committee's monitoring functions involve auditing the implementation of Union republic communist parties' budgets, and, if necessary, the party budgets of republic, kray, and oblast party organizations, and the correct utilization of funds obtained for investing in production and financial and economic activities.

Studies are being done on particular aspects of production and financial and economic activity in order to obtain the data necessary for planning, for devising methodological materials, and so on.

The CPSU Central Committee Administraion of Affairs and party committees will monitor the financial and production and economic activities of subordinate enterprises, organizations, and institutions.

4. Reports on the implementation of the party budget and expenditure estimates together with control and control and auditing commissions' audit documents are presented to superior party committees by a fixed date. Copies of the audit documents are sent to the superior party organization's control organ.

CPSU Secretariat's Economic Crime Resolution

PM1107145791 Moscow PRAVDA in Russian 9 Jul 91 Second Edition p 2

[Unattributed report: "At the CPSU Central Committee Secretariat: On Need to Step Up the Struggle against Crime in the Economic Sphere"]

[Text] A resolution on this question adopted by the CPSU Central Committee Secretariat emphasizes that progress toward civilized market relations requires a resolute reinforcement of legality and law and order and the observance of the current constitutional standards everywhere. In this context, overcoming the difficulties in the economic sphere and eliminating the causes which lead to crime in the economic sphere has become a task of paramount political importance on whose solution a change for the better in the state of affairs in society will largely depend. Nor can it be ignored that the upsurge of crime is being used by a section of extremist opposition forces to undermine people's confidence in the policy of the center, the CPSU, and the authorities at the local level. Lack of confidence in the ability of power structures and law enforcement organs to safeguard human rights and people's property and vital interests is spreading in the mass consciousness.

At the same time, society is increasingly alarmed by the growth of law infringements of an economic nature. They now pervade all the national economic sectors, above all those which are responsible for meeting the population's vitally important requirements. The crime rate has risen in the sphere of trade and consumer services, industry, the agrarian sector, transportation, the construction industry, the credit and financial system, and foreign economic activities. Corruption, bribery, and extortion are on the increase, and organized crime, smuggling, and illegal currency transactions are assuming an ever increasing scale. Illegal activities of this kind are conducted under cover of cooperative and other nonstate structures, and the number of mafia groups is growing.

The development of negative processes in the economy is a consequence of the disruption of economic and interregional ties, the integral financial and banking system, the collapse of the consumer market, and the general weakening of state and departmental control over the work of economic subdivisions.

The activity of certain management organs both at the center and at the local level, and of many republic, kray, and oblast power structures is exerting a feeble, and sometimes even a destructive influence on the economy. The standards of exactingness toward enterprise and organization leaders have declined impermissibly, and this is to blame for disruptions in the deliveries of products to union stocks, supplies of goods to the trade network, and abuses in the process of delivering goods to the consumer. The artificial division of the economic space, the monopoly producers' diktat, and the distortion of the principles of free trade through the introduction of restrictions are exerting a demoralizing influence on workers at all levels.

The CPSU Central Committee Secretariat resolution especially underlines the danger of the growing involvement of the state and economic apparatus with organized crime. The growing scale of the shadow economy, misappropriation, mismanagement, and abuses by people in official and materially responsible positions, and the exploitation of group egoism for mercenary purposes are not meeting with the necessary counteractions by law enforcement and state control organs.

The newly established commercial banks operate essentially outside state control. During their numerous large-scale financial and credit operations with state and cooperative enterprises and joint ventures, they commit gross violations of current legislation and enforceable acts, especially in foreign currency transactions, thus inflicting considerable damage on the economy.

In the prevailing acute socioeconomic situation, the CPSU Central Committee Secretariat deems it necessary to implement a range of measure to put an end to economic crimes.

Party committees and organizations are to proceed in their day-to-day activities from the premise that the Communist Party rigorously advocates the firm establishment of high moral standards, discipline, and order in society, and the eradication of conditions furthering the spread of mismanagement, abuses, and crimes. This principled political stance of the party is assuming special topicality in the conditions of transition to market relations.

The CPSU Central Committee has instructed the central committees of union republic Communist Parties, and

the republic, kray, oblast, city, and rayon party committees to exhaustively analyze the causes of the rise in economic crime in every region, and to make a party-political assessment of the prevailing situation; to make known to the public at large their attitude to the work of local organs of power and economic management and their leaders who are not taking sufficient steps in the struggle against economic crimes; to make extensive use of the full potential of glasnost and party influence to thwart economic crimes, drawing special attention to the need for all-around assistance in the strengthening of order in all spheres of economic activity; to endeavor to actively involve Communist deputies at all levels and the broad masses in this work via workers' control, consumer associations, and other working people's organizations.

It is necessary to step up explanatory work in primary party organizations and labor collectives and among the population at large, and to make better use of the press, radio, and television potential with the aim of influencing public opinion in favor of honest labor, including that of entrepreneurs.

The attention of Communist leaders of ministries, departments, and other organs of administration and economic management, both at the center and at local level, and of enterprises and organizations is drawn to the need for the unconditional implementation of outlined measures to stabilize the consumer goods market, and above all the food market. For this purpose it is recommended to make full use of the potential of own production, and to respond in a principled manner to all manifestations of parochialism in output deliveries.

With a view to eradicating violations in financial and credit activities, state organs of power are called upon to ensure the establishment of an effective system of monitoring the operation of banking establishments, and to speed up the adoption of decisions aimed at strengthening state financial control in the conditions of transition to the market economy. At the same time it is necessary to adopt measures to increase the liability of banking staff for committing financial crimes.

The resolution notes that Communist leaders in the state trade and consumer cooperative system are not doing enough to eliminate abuses and violations in trade, and are not paying sufficient attention to the elaboration of effective economic monitoring of the use of commodity resources. Their collaboration with local soviets of people's deputies and law enforcement organs in the prevention of negative phenomena in trade is frequently poor.

Communist leaders at union department level in state and cooperative trade are instructed, jointly with republic and local organs, to adopt measures to establish the necessary order in the work of trade enterprises and organizations. Bearing in mind the state retail price reform and the transition to market relations, it is necessary to consistently implement the restructuring of the whole trade system.

The CPSU Central Committee Secretariat believes that the effectiveness of efforts to prevent or stop law infringements and crimes in the economic sphere will largely depend on the work of law enforcement organs, the support which they receive from soviets of people's deputies, and the improved collaboration with public organizations and movements. It is necessary to promote improvement in the standard of economic crime detection, elimination of red tape in the investigation of criminal cases, the staffing of organs with skilled, committed cadres, and the enhancement of their professional skills.

With a view to establishing the necessary legal base for the fight against crime, the CPSU Central Committee Secretariat calls for speeding up the adoption of legislative acts aimed at bringing judicial practice into line with the prevailing situation in the economy.

Enhancing the authority of law enforcement organs and raising the prestige of those who guard law and order in the country and ensure its citizens' peaceful life, demand unremitting concern and attention. In order to safeguard the social protection of law enforcement organ workers it is necessary to strive, through Communist deputies, for the adoption of a legislative act on compulsory insurance of Prosecutor's Office and court staff.

Leaders of the party mass media are instructed to widely publicize instances of mismanagement, wastefulness, robbery of compatriots, profiteering from people's problems, and pitting egoistic personal and local interests against the interests of the state; to create an atmosphere of universal contempt of criminal elements, exposing their unlawful doings and impunity as a result of the connivance of the authorities and of economic management and law and order organs.

Communist Initiative Movement Proceedings Reported

PM110711309l Moscow SOVETSKAYA ROSSIYA in Russian 3 Jul 91 First Edition p 3

[Feature under general heading "Second Congress of the Communist Initiative Movement," comprising SOVETSKAYA ROSSIYA introduction; unattributed account of report by N.A. Polovodov, chairman of the Communist Initiative Movement Organizing Bureau; and statement given by Professor A.A. Sergeyev, member of the CPSU Central Committee, to N. Nadezhdina]

[Text] The Second Congress of the Communist Initiative Movement was held in Moscow over two days—29-30 June. The second stage of the congress was attended by Communists and nonparty people from 10 union republics: Belorussia, Georgia, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, the RSFSR [Russian Soviet Federated Socialist Republic], Tajikistan, the Ukraine, and Estonia. The following member republics of the RSFSR were also represented: Bashkortostan, Buryatia, Kalmykia, Komi, Karelia, Mariy El, Mordovia, Tatarstan, Tuva, Udmurtia, Chuvashyen, as were also Altay,

Krasnodar, Krasnoyarsk, Maritime, and Stavropol Krays and 44 Russian oblasts.

The congress was representative also in terms of the number of participants. Taking part in its work were 820 delegates with voting power and 194 invited guests and observers. The largest delegations were sent by the Moscow, Leningrad, Sverdlovsk, and Nizhniy Novgorod party organizations.

The forum of Communists was held under the slogan "Adhering to a Constructive Course," although the debate was really heated at times. The congress heard a report on the present moment, delivered by A.A. Sergeyev, member of the CPSU Central Committee and secretary of the Communist Initiative Movement Organizing Bureau. A report on the organization of the workers movement in the country was delivered by N.A. Polovodov, chairman of the Communist Initiative Movement Organizing Bureau.

The congress adopted a draft CPSU Program, a resolution on the situation in the country and within the party, and addresses to RSFSR people's deputies and to Communists in the Soviet Army and Navy and in the KGB and MVD [Ministry of Internal Affairs] organs. Other documents were also adopted.

The Initiative Congress called for the convening of an emergency CPSU congress and an extraordinary RSFSR Communist Party congress this year.

Today we bring to our readers' notice some of the congress materials.

Adhering to the Working Person's Positions. From the Report by N.A. Polovodov, Chairman of the Communist Initiative Movement Organizing Bureau [subhead]

The CPSU leadership headed by M.S. Gorbachev initially perceived renewal and perestroyka as a means for improving socialism and a condition for improving working people's lives, but it soon digressed from the solution of vitally important problems inside the country and we started hearing talk about "new thinking for our own country and for the whole world." As a result of endless transformations, the country has become a humiliated beggar.

Now it is clear for everyone to see that the political course that is being pursued is wrong, anti-people, disastrous, and ruinous for the country.

The political course must be changed. The Communists and the party are facing a problem—how to achieve a replacement of the destructive political course by a course that is constructive and in line with the fundamental interests of the working class and all working people. This problem is rendered more complex by the fact that the party has in many regards been pushed aside from state management.

The maintenance of the political course now being pursued and the efforts to prolong its death throes are backed by speculators and "shady dealers" with their own lobby in parliament, by some specialists and enterprise leaders, and even by some working people with their aspirations for petty bourgeois private ownership. A series of political parties are engaged in unconstitutional activity to change the socialist system. The marketeers realize that bourgeois reforms find it hard to catch on in our country. This is why deputies, the prime minister, and the president himself are endlessly traveling abroad and asking for the efforts of domestic and foreign reaction and capital to be pooled so as to implement anti-people reforms.

A major material force is needed to oppose those who uphold the anti-people course and to gain victory over them.

Such a force does exist.

Despite the lies, slander, ideological defamation, and material exhaustion, our people are displaying political will, maturity, and wisdom. The breakdown of the economy is opposed by the peasantry, the working class, and the working intelligentsia.

Rural working people have united within the Peasants Union and have held two congresses. The working people's interests are being upheld by sociopolitical organizations like "Otechestvo" [Fatherland], "Yedinstvo" [Unity], the United Front of Working People, international organizations in the union republics, the Marxist Workers Party, and others.

Creative unions and writers' organizations, journals and newspapers have stood up in defense of our glorious history. Honest Communists firmly adhere to the working class' positions. It is the Communist Party that produced healthy forces capable of halting the process of replacing the communist system in our country. Having realized the need, Communists launched a movement for the RSFSR Communist Party's revival. Its representatives at the 28th CPSU Congress put to the vote a statement to the effect that the much-advertised story about the economy's "recovery" through the market would lead to the destruction of productive forces, a sharp decline in working people's living standards, and universal ruin. This statement was supported by one-third of delegates.

There are considerably greater constructive forces in society. The true salvation from national and statewide catastrophe lies in their unity. The question is: Around which social base—most fully and most consistently interested in improving the whole people's life as if it were their own life—should all the constructive forces rally?

The working class is the main force capable of changing our country's political course. It is most fully and most consistently interested in improving the working people's life and constitutes society's real material-productive force which holds in its hands the people's prosperity and the country's destiny.

The workers movement already has its own modern history and its own complex and contradictory experiences.

Spontaneous demonstrations by workers spread to a large number of cities in the mining regions. Strike committees established links among themselves and coordinated their actions. The elections of strike committees were reminiscent of the organization of soviets in 1905 and 1917, the only difference being that at that time the soviets took over complete political power, while the workers committees' strike council proved fainthearted. And so, people who have nothing in common with the working class' interests came to power using as a stepping stone the workers movement whose leaders proceed from the premise that things cannot get worse under capitalism.

Major industrial enterprises in the Baltic republics became hotbeds of mass demonstrations by the working class and working people in response to the violation of USSR citizens' rights. Communists should have helped the workers movement to unite the existing structures of working people's committees, work stoppage committees, and strike committees, bringing matters to the point of using the Constitution to recreate the established organs of Soviet power and convening a congress of soviets of working people in the republic and thus replacing the parliament which operates unconstitutionally. Instead of this, however, the movement in Lithuania was steered along the wrong path—creating national salvation committees and storming the television tower (this was nothing but quixotism).

Working people in the Dnestr and Gagauz Republics, formed as a result of the threat of incorporation in Romania, also failed to go as far as creating genuine soviets—soviets of working people.

In the wake of M.S. Gorbachev's visit to Belorussia, where he tried yet again to reassure working people that higher prices would not reduce their living standards, the actual price hike generated indignation and mass strikes in Minsk and other cities, and the republic's working people achieved a partial reduction of prices and higher wages.

The period of the spontaneous workers movement is now coming to an end.

The congresses have shown that the workers are capable of rising to the heights of the fundamental interests of their class, of upholding the working people's interests, and of working out the difference between a worker's fleeting current interests and the interests of the state of the working people, of the whole of society. The decisions that were adopted are politically mature and farsighted.

The resolution "On the Workers' Attitude Toward the CPSU," adopted by the congress of workers in Leningrad, asked Communists: On whose side are you? Make your choice: Either your involvement in the president's policy will finally undermine the people's faith in you and the people will condemn you, or you will wage a joint struggle with the working class for ordinary people's vital needs and aspirations. The workers believe: Unless the CPSU upholds the interests of the working class, it will inevitably disappear from the political arena. The congress adopted a statute of the workers movement, defined its basic goals and tasks, and elected a Leningrad Soviet of Workers.

The workers movement is thus developing, and this makes it possible to draw several conclusions about its status and contradictions.

In the conditions of an anti-people political course, the workers movement in essence becomes a spokesman for the interests of workers, peasants, and the working intelligentsia.

In some mining regions the workers movement, detached from the party of its class, is being materially backed and ideologically guided by anticommunists toward actions at odds with the fundamental interests of the working class and the working people, and is being skillfully exploited by political tricksters to achieve their ambitious personal goals.

The working class, unless united on a countrywide basis, cannot pursue its own policy, and this enables parliaments to adopt laws which in effect eliminate Soviet power, consolidate the power of the newly emerged bourgeoisie, and transfer ownership of the basic means of production into its hands.

The organized period of the workers movement is beginning.

So, what are the Communist Party's tasks in organizing the workers movement? It is well known that, following instructions from the CPSU Central Committee, party organizations did not back the 1989 miners' strike.

For the party of the working class, the vanguard of the class, a break with its own class means its own downfall and the beheading of the class.

This is why participants in the initiative movement, all honest Communists, and all Communist intellectuals adhering to working class positions must take on what official party organizations should be doing by dint of their official status, but are not doing. Communists' main task is to assist workers movement organizations in gaining awareness of the political struggle for genuine democracy for the working people, for the recreation of Soviet power, and power by the class in the state.

Soviet power, as the power of working people, can be recreated only from below, through the labor collectives.

Honest Communists unwilling to share any longer the shame for the policy of the ruling anti-people faction will have to struggle for a Communist program for the party. [Polovodov ends]

Emergency Situation. Professor A.A. Sergeyev, Member of the CPSU Central Committee, Comments on the Congress' Results

The need for the Initiative Congress arose because social-democratic tendencies, followed by some even more negative tendencies, emerged and started gathering strength within the party. There is a danger that the Communist Party will remain Communist only in name, while becoming in actual fact either a right-wing socialist, or a social-democratic, or even a bourgeois party.

From the very beginning the Initiative Congress has functioned as a Russian congress, and the immediate task which was set when it was created was to initiate the process of creating a Russian Communist Party. We proceeded from the premise that the idea of communism had grown the firmest roots in Russia itself and that the Russian Communists constitute the CPSU detachment which will be most difficult to divert from the path of socialist building.

The RSFSR Communist Party's constituent congress was held last year, and this task of the Initiative Congress was accomplished. But right-wing social-democratic tendencies were perfectly clearly visible in the statement by some CPSU leaders at the 28th party congress, which was held between the two stages of the RSFSR Communist Party's constituent congress, and in the resolutions which were literally pushed through at the 28th congress. We were forced to make a statement—it was read out by V.A. Tyulkin—which warned the party that, in the event of a transition to a universal market system based on private ownership, an economic collapse lay in store for the country, impoverishment lay in store for the people, while the party itself would disintegrate and would cease being Communist. The vote on this statement was 1,259 delegates in favor and 2,012 delegates against. Moreover, those who voted against were certainly not people adhering to anticommunist positions; on the contrary, those people believed that the congress resolutions contained sufficiently strong provisions to rule out any possibility of the country's transition to capitalism or of capitalism's restoration. And such provisions really did exist. But we knew from the experience of the first perestroyka years that even the tiniest loophole would be utilized to move on from one stage of the sociopolitical system's desocialization to the next. And some very vague formulations were also to be found.

At the same time, however, the 28th congress materials contain two fundamental provisions which are perfectly clearly at odds with the course toward the country's capitalization. First, the provision that the Communist Party advocates diversity of forms of ownership ruling out any exploitation of man by man, and second, the provision about the need for comprehensive struggle against the shadow economy which would rule out privatization, insofar as it could be effected only through legalization of shady business. There are not other sources. After all, it is perfectly clear that workers cannot afford privatization on their earnings.

Soon after the 28th congress, M.S. Gorbachev started to frankly step over these provisions. This was followed first by the CPSU Central Committee December plenum which, in my opinion, railroaded a resolution on support for the transition to a market economy—no longer to a regulated market as the 28th congress had decided, and no longer to a planned-market system as enshrined at the 19th party conference. Things developed from bad to worse thereafter. The April plenum already approved the course of privatization.

Our society has already experienced the formula of transition to the market; what we have on the agenda now is privatization and colonialization. Of course, nobody would raise the slogan of colonialization, and in fact it is being camouflaged; after all, it is impossible to tell the people: "Comrades, we are about to become a quasi-colony." Nobody is likely to believe that this is a major boon. Therefore, the slogans are different—about attracting foreign capital, about giving it preferential treatment, about integration within the world economy, and so on. But in actual fact this is a course toward the country's colonialization.

There you have the entire background which prevents the Initiative Congress from disbanding itself. Today we perceive our function as being primarily to exert pressure on the leadership of the CPSU and the Russian Communist Party to prevent its degeneration into a social-democratic party or its total disintegration. I think that we are coping with this function, even though the development of events is only strengthening the sense of alarm. M.S. Gorbachev is a very clever and talented tactician; whenever we launch some action he makes a slight concession but then gathers pace and accelerates forward. Now he is planning to go to the London conference of the "Seven," he will have conversations and meetings, and there are no guarantees at all that steps will not be taken there toward the country's colonialization, toward a total capitulation to the West.

This is precisely why—in the firm belief that Gorbachev's course is a course toward the breakdown of socialism and the Soviet Union, toward the CPSU's elimination as a Communist party—I advocated the convening of an emergency CPSU congress and announced the creation of an action committee. It is already functioning.

In my view an important result of our two-day exchange of information is the adoption of a resolution whereby the entire Initiative Congress organizing bureau—and that is nearly 100 people—will become part of the organizing committee for preparations for the 29th Emergency CPSU Congress. Of course, there will be a heated struggle over this, and it is quite clear that people will try to seize the initiative from us and "harness" it. Even now some party obkoms [oblast committees] are adopting decisions on convening not an emergency

[chrezvychaynyy] congress, but an extraordinary [vneocherednoy] one, which means that the urgency of the matter is reduced by one degree. There is reason to believe that a proposal will be put forward at the forthcoming plenum for the convocation of an extraordinary congress, and then the main question could be not the emergency situation that has arisen in the country and party, but, say, the adoption of the party Program. But not an accountability report by the party leadership. However, I think the very fact of the discussion of the question of convening an emergency party congress in party organizations at various levels and at our Initiative Congress will help ensure that all the party's most pressing problems are resolved. I am confident that if it proves possible to convene an emergency congress in the near future, it is still possible radically to change the political course and restore the party's prestige. That is the main thing today.

TASS Reviews Press for 12 July

LD1207075591 Moscow TASS in English 0648 GMT 12 Jul 91

["Press Review"—TASS headline]

[Text] Moscow July 12 TASS—President Mikhail Gorbachev on Thursday met Sumio Edamura, Japanese ambassador to the Soviet Union, and Nagao Hedo, envoy of Prime Minister Toshiki Kaifu of Japan, who delivered a message to Gorbachev from the Japanese prime minister. A report to this effect by the TASS news agency is published in today's PRAVDA.

SOVETSKAYA ROSSIYA runs decree No.1 of Russia's President Boris Yeltsin on first-priority measures to develop the education system in the Russian Federation.

Newspapers report that the Soviet Parliament on Thursday began to discuss a draft new Union Treaty.

"Intense, creative work by representatives of the Union republics and by the Drafting Commitee that had been set up by a decision of the Congress of Russia's People's Deputies contiued for more than a year," PRAVDA notes.

In a coverage of the proceedings of the Congress of Russia's People's Deputies, the press reports that the parliamentarians on Thursday discussed candidacies for the post of chairman of the Russian Parliament. The post is vacant following the election of Boris Yeltsin to the presidency of the republic.

SOVETSKAYA ROSSIYA carries photographs of the contenders for the post and excerpts from their programmes.

SOVETSKAYA ROSSIYA runs an account of a regular meeting of the Secretariat of the Soviet Communist Party (CPSU) Central Committee, presided over by CPSU Deputy Chief Vladimir Ivashko.

A report by the press centre of the CPSU Central Committee has it that the dramatic events in Dushanbe in February 1990 shocked not only Tajikistan but the entire country as well.

A group of experts in Tajikistan studied whether lessons had been drawn from the developments during last year's winter. The expert group included members of the CPSU—experts on inter-ethnic relations.

The Bureau of the Presidium of the CPSU Central Control Commission has issued a statement in connection with the withdrawal of former Soviet minister of foreign affairs Eduard Shevardnadze from the Party. The statement is published in PRAVDA and SOVETSKAYA ROSSIYA.

The same newspapers carry a statement issued by the Bureau of the All-Army Party Committee of the CPSU Organisation of the Soviet Armed Forces. The Bureau discussed the address by the organisers of the "Movement for Democratic Reforms", the statement says.

"Neither civic conscience nor the duty of the Communist—defender of the motherland—allow us to support the founders of the movement that is leading to a split of the CPSU and further heightening of tension in society," the statement reads.

SOVETSKAYA ROSSIYA runs a letter by CPSU member B. Volkov who discusses the article by former Politburo member of the CPSU Central Committee Aleksandr Yakovlev, published in IZVESTIYA at the beginning of July following the address by the organisers of the "Movement for Democratic Reforms".

TRUD gives bitter statistics about occupational injuries—three victims a day in the country on average.

Describing work being done by Soviet Cosmonauts Anatoliy Artsebarskiy and Sergey Krikalev on board the orbital complex Mir, TRUD reports that the crew will take nine spacewalks during their half-year-long flight. The nearest spacewalk is scheduled for July 15.

"The number of members of the Bar in the whole of the Soviet Union is less than, say, in Madrid", Oleg Kutafin, rector of the Moscow Law Institute, said in an interview published in RABOCHAYA TRIBUNA.

"Out of approximately 100,000 inventions that are registered in this country every year, the number of licence-worthy elaborations is not so large as one would think. Only one tenth of them can be conditionally compared with the world level," Viktor Torbenko, deputy chairman of the USSR State Committee for Patents (Gospatent), formerly the State Committee for Inventions, told RABOCHAYA TRIBUNA.

"What happened in Severomosrsk in May 1984?" is the headline of an article in KRASNAYA ZVEZDA (RED STAR) in which Rear Admiral V. Alekseyev disproves the version offered by the Moscow-based newspaper

KURANTY dated June 29 about a fire on the technical premises of the naval arms depot in Severomosrsk.

KRASNAYA ZVEZDA carries an interview with Militia Major Boleslav Makutinovic, commander of the Vilnius Special-Purpose Militia squad.

Colonel General of the Air Force Volter Kraskovskiy describes in KRASNAYA ZVEZDA the work of a commission that analysed and made an estimate of the ecological situation in the area of the operational radar station Dnepr and the Daryap-Um Radar, which is under construction, of a missile attack warning system.

PRAVDA, KRASNAYA ZVEZDA, and KOMSOMOLSKAYA PRAVDA carry articles with the forthcoming meeting in London between the leaders of the world's seven major industrialised countries and President Mikhail Gorbachev of the Soviet Union.

On an instruction from the president of the USSR, Soviet Foreign Minister Aleksandr Bessmertnykh is now in Washington, PRAVDA writes. The newspaper's correspondent Vitaliy Gan asked him whether he had powers to take final decisions on the remaining problems concerning a strategic arms reduction treaty.

"We have all powers to finalise the work on the treaty, but we shall [words indistinct] difficulties may arise," Bessmertnykh answered.

A commentary in PRAVDA by Vsevolod Ovchinnikov is dealing with the permanent members of the U.N. Security Council—the Soviet Union, the United States, Britain, France, and China—that recently discussed in Paris the question of how to regulate trade in weapons.

PRAVDA carries an interview with William Miller, president of the Committee for Soviet-American Relations.

Economic

Pavlov, Shcherbakov View Anticrisis Program

LD1107162391 Moscow All-Union Radio Mayak Network in Russian 1340 GMT 11 Jul 91

[Report by correspondent Valeriy Kiosa on press conference on anticrisis program held by Prime Minister Valentin Pavlov and First Deputy Premier Vladimir Shcherbakov in Moscow on 11 July, with recorded remarks by Pavlov and Shcherbakov]

[Text] [Kiosa] First of all I will say that the anticrisis program, which incidentally has been published in IZVESTIYA, has been signed by the USSR prime minister and the heads of governments of the nine republics which signed the Nine plus One statement, as well as Armenia.

Today, of course, many journalists were interested to learn how the country's prime minister sees the strong and weak aspects of this document. Valentin Sergeyevich Pavlov said that among the strong aspects he counts the fact that the program is addressed primarily to the enterprises because it is precisely there that the fate of economic reform will be decided. Among the weak aspects he counts the fact that the need for agreement on the republic's economic legislation has only begun, but in reality it stil does not exist. Yet another vitally important issue today is whether it has been possible to resolve the problems of the financial relations between the center and the republics, in particular the federal tax.

This is what the country's prime minister had to say:

[Pavlov] The question of federal tax is essentially the reply to the question of whether we shall have a single state or whether there will not be a state as such, because a state without its own economic base cannot be a state even from the juridical point of view, because it cannot bear economic responsibility by virtue of its property, whether this be material values, natural resources, or monetary resources. But if it does not have this property, then it cannot be responsible for the decision taken. We think—and the majority of the republics support us in this regard—that there should undoubtedly be a federal tax.

[Kiosa] You see, Russia and the Ukraine signed that program on condition that they will only contribute fixed sums to the Union budget. Does this mean that the idea of a direct federal tax for enterprises is being rejected by these republics? Vladimir Ivanovich Shcherbakov replies to this question.

[Shcherbakov] We have still not agreed upon this issue, although the positions have actively come closer together, I would say. In the anticrisis program we could not sign another decision. It is precisely for this reason that Premier Silayev and Premier Fokin specially reserved their position, because the legislative bodies in both the republics defined their position precisely in the following manner: We shall make the contribution in the form of one payment.

The rest of the republics are quite unambiguously in favor of a duel tax, that is, a tax on the economically active bodies plus some kind of contribution from the republican budget resulting from implementation of the investment programs adopted.

The last discussion on this subject was at Novo-Ogarevo. I think that the positions of Comrade Yeltsin are changing substantially, at least now he does not reject the second variant as an unacceptable solution. Fokin did not express his opinion on this subject. He said that the Ukraine would like to be present at these talks. I understand that if changes for the better occur in Russia's stand, the Ukraine will probably join in this decision.

[Kiosa] And of course, journalists today could not ignore the topic of Mikhail Sergeyevich Gorbachev's forthcoming meeting with the leaders of the Seven in London. Everyone was interested to know what the country's president is taking to this meeting. Vladimir Ivanovich

Shcherbaov who will, incidentally, be accompanying the USSR president on this trip, replied:

[Shcherbakov] I can only voice my own personal point of view. I believe that at this stage it would be very good if, first, we were to receive support in principle for our reform, political support, and second, protectionist help from Western governments—help in the sense that they will take measures to stimulate the flow of Western capital into the USSR. We are not looking to take on any state credits or to ask for money in an unspecified form. This is not on the agenda. We are offering to open up the field and jointly to lift this iron curtain once and for all. But it can only be lifted from both sides. It is naive to think that it needs to be lifted from the USSR side alone. We are willing to open up to the world market, to the world economic community, and we believe that Western governments should take steps toward us to engender in Western private capital, above all private capital, the confidence that it can now move into the USSR.

Further Comments Reported

LD1107145991 Moscow TASS in English 1423 GMT 11 Jul 91

[By TASS correspondent Igor Gvritishvili]

[Text] Moscow july 11 (TASS)—"The anti-crisis programme is intended for enterprises and other subjects of economic activity on the basis of a clear legislative groundwork—this is its strongest point," Soviet Prime Minister Valentin Pavlov told reporters today, commenting on the new programme of his cabinet.

Among the programme's weak points is a lack of real steps to coordinate Soviet and republican laws, Pavlov said.

The programme is oriented towards an early signing of a new Union treaty, considering the separation of powers between the centre and republics.

Commenting on the prospects for making the rouble convertible, the prime minister stressed that the problem of its domestic convertibility should be resolved first. To achieve this, he believes, it is necessary to further liberalise prices, carry out de-nationalisation and privatisation, said Pavlov.

"On the whole we must, whatever the conditions, move to market relations," Pavlov pointed out.

After the prime minister left the press conference saying he had to attend a meeting of the Soviet parliament, the press conference was continued by his first deputy Vladimir Shcherbakov.

He compared Grigory Yavlinskiy's programme with the cabinet's anti-crisis programme, saying that the two documents do not differ in principle.

The key difference is in the fact that Yavlinskiy leans towards the signing of an economic union between all republics, while the government programme also envisages a political union.

Asked about the cabinet's attitude to the initiative by Kazakhstan President Nursultan Nazarbaev to hold a meeting of all 15 republics without the centre to discuss economic cooperation, Shcherbakov said that the government did not discuss the proposal.

Economic relations with those republics that do not sign the Union treaty will be conducted as with foreign states beginning from January 1, 1992.

Gorbachev Sanctions IMF Membership Application

LD1107150391 Moscow Central Television First Program Network in Russian 1200 GMT 11 Jul 91

[From the "Television News Service" program]

[Text] Mikhail Gorbachev, the country's president, has sanctioned an official application for the USSR to join the International Monetary Fund and the World Bank.

Budget Deficit of 300 Billion Rubles Predicted

PM1107154991 Moscow KRASNAYA ZVEZDA in Russian 11 Jul 91 First Edition p 3

[RIA report under the "Direct Line" rubric: "Union Budget. What Awaits Us?"]

[Text] Moscow, 10 Jul—"A financial disaster awaits us at the end of the year, when the union budget deficit will total 300 billion rubles," Viktor Gubarev, deputy chairman of the USSR Supreme Soviet Planning, Budget, and Financial Commission, told an RIA correspondent. During the first quarter of the year this indicator exceeded the permissible norms by more than 300 percent. Gubarev believes that disaster can be avoided by ratifying the Union budget only after its approval by all the republics. According to the legislator, the Cabinet of Ministers is not submitting an emergency budget to parliament for discussion because of difficulties over agreeing on the anticrisis program and also because of the stand taken by Russia, which champions a single-channel system of taxation.

USSR-Republic Economic Action Program

PM1107141991 Moscow IZVESTIYA in Russian 11 Jul 91 Union Edition pp 2-3

["Program of Joint Actions of the USSR Cabinet of Ministers and the Governments of the Sovereign Republics To Extricate the Country's Economy From Crisis in Conditions of the Transition to the Market"; date of adoption not given]

[Text] The socioeconomic situation in the country has become extremely acute. The fall in production has affected virtually all sectors of the national economy.

The finance and credit system is in a state of crisis. Exports and foreign currency earnings are falling. The consumer market is disorganized, the food shortage is being felt everywhere, and the population's living conditions have deteriorated considerably.

The attempts by the center, the republics, and the regions working separately to resolve these problems has not brought the desired results and has led to the fragmenting of the single economic space.

The gravity of the economic situation is being increasingly aggravated by the instability of the political situation, the crisis of power, and also by the confrontation between different social movements, interethnic conflicts, and strikes.

The situation which has emerged requires the adoption of urgent anticrisis measures and resolute actions to ensure the transition to the market.

The joint statement of the USSR President and the leaders of the supreme state organs of the union republics on urgent measures to stabilize the situation in the country and overcome the crisis, which was adopted 23 April this year, has made it possible to elaborate a single program of joint actions of the governments of the USSR and sovereign union republics.

The present Program is regarded as a basis for coordinating the joint actions of the sovereign republics and the USSR in 1991-1992 and creates conditions enabling each republic to develop and implement its own program for emerging from the crisis and making the transition to market relations.

I. Main Provisions of the Program

The strategic aims of the joint actions are to achieve the thorough structural reorganization of the economy to meet people's needs and build a socially oriented market economy in the framework of the single, unionwide economic space.

The crisis situation demands the adoption of emergency measures so as to achieve the following within the year:

Restoring the average daily volumes of production in sectors vital to the population's well-being and in base sectors of the national economy and the prevention of the destruction of the country's national economy;

Curbing rampant inflation and stabilizing money circulation and the population's purchasing power;

Normalizing the population's supply of the main types of food, medicine, and prime necessities.

In each of these areas the governments of the USSR and the sovereign republics are implementing a package of targeted measures and, on that basis, aim to halt the decline in the people's living standard and stabilize the country's economy.

The program proceeds from the premise that these tasks can be accomplished only on the following basis:

achieving social accord in the country;

preserving the single economic space, organically combined with strengthening the sovereignty of the republics;

a determined switch to market relations together with the provision of social protection for the population taking account of the characteristics of the sovereign republics, denationalization and privatization, the emancipation of commodities producers, encouragement for labor and business activity, and support and protection for enterprise;

strengthening finances, money supply, and the Soviet ruble as the only means of payment and ensuring its domestic convertibility;

ensuring the uninterrupted work of the base sectors of the national economy and financial, material, and technical support for enterprises producing food and prime necessities;

creating conditions for the broad involvement of foreign capital, technology, and experience in priority spheres of the economy; and

precisely delimiting powers and functions in the management of the economy between the center and the sovereign republics and increasing responsibility for the fulfillment of the set tasks.

II. Joint Actions by Union and Republic Organs—The Basis of the Program's Implementation

The governments of the USSR and the sovereign republics have agreed on the need to adopt coordinated measures in pooling the efforts of the organs of executive power and management at all levels in resolving the fundamental questions of stabilizing the economy and moving toward the market, instilling order, and raising discipline on the basis of:

unity of money supply, currency, customs tariffs and regulations, and the system of accounting and statistics;

coordinated financial, credit and money, price, and foreign economic policy and also a system of minimum social guarantees and the employment of the population.

To that end it is necessary:

to carry out purposeful work to form before 1 January 1992 the legal basis and mechanism of economic management in the unionwide economic space ensuring freedom for independent commodities producers, the unrestricted movement of the workforce, goods, and money resources under the jurisdiction of the corresponding republic and the Union within the framework of the powers delegated to it;

to create the conditions for and give support to the formation and development of enterprises' horizontal ties and the establishment of direct collaboration between commodities producers;

to establish that:

plans for the production of output (goods and services) for 1992 be formed by enterprises independently;

supplies of output for unionwide, interrepublic, and republic needs are to be distributed on a contract basis by republic organs, and supplies from the list of defense and other special-purpose output determined by the USSR Cabinet of Ministers by agreement with the governments of sovereign republics are to be distributed via organs authorized by them in the light of republic needs.

to create a union-republic intergovernmental commission for the drafting of proposals on the coordination of economic legislation for implementing the course of preserving and developing the unionwide economic space;

to submit the aforementioned proposals to the scrutiny of the Federation Council no later than July 1991 and adopt a decision on the transfer of enterprises in the third quarter of this year to the jurisdiction of the corresponding republics and the USSR (within the framework of the powers delegated to it);

to sign in the second quarter of this year a union-republic agreement on the principles of the delimitation of state property and functions in its denationalization and privatization; to prepare and implement the corresponding programs;

to prepare in the second quarter of this year a legislative act regulating mutual relations between inferior and superior organs of executive power.

The governments of the USSR and the sovereign republics consider it necessary to form trade and economic mutual relations with republics which have not signed the Union treaty in accordance with generally recognized international norms and rules, including the transfer of trade to world prices, reciprocal payments in an agreed currency, and the introduction of export and import taxes and customs duties. The new arrangements governing mutual relations with the republics which have not signed the Union treaty go into effect from the moment of the signing of the Union treaty.

III. Normalization of Economic Relations

For the stabilization of production processes and the normalization of economic ties Union, republic, and local executive organs must:

Ensure the fulfillment of obligations enshrined in economic agreements for 1991 and interrepublic agreements. Form in the second quarter of this year intergovernmental commissions to monitor progress in the fulfillment of economic agreements invested with the corresponding powers and the right to adopt the necessary decisions;

Introduce as of 1 July this year additional incentives, including tax concessions, and increase economic and administrative responsibility for the unconditional fulfillment of the state order;

Create in accordance with the USSR President's Decree of 16 May 1991 the conditions for the uninterrupted work of the base sectors of industry, power industry systems, communications, and transport;

As of 1 July 1991, revoke administrative decisions hindering the movement of goods in a number of regions and republics;

Adopt urgent measures to resolve the most acute ecological problems so as to resume as early as possible the work of major enterprises and production units halted on ecological and other grounds. Adopt before 1 July 1991 coordinated decisions to ensure the unconditional fulfillment of necessary nature protection and other measures;

Beginning in the third quarter of 1991, consistently transfer to a new economic basis the production-sharing ties formed between Soviet enterprises and East European partners with a view to switching from the intergovernmental regulation of those relations to direct ties and the creation of a broad network of joint ventures, production units, joint-stock companies, trading houses, firms, and associations, which are to independently resolve all problems of keeping their own production potential employed. A system based on clearing with subsequent conversion and payments in national or freely convertible currency must be developed for this purpose;

Create conditions for organizing nonstate wholesale and intermediary enterprises, leasing firms, and commodities exchanges. In the third quarter of this year, separate commercial trade and intermediary enterprises from the state organs of material and technical supply and organize their activity in accordance with the republics' legislation.

In conjunction with the implementation of measures of an antimonopoly character, the proportion of production, commodity, and material resources of all kinds sold by means of free trade must be consistently increased, making maximum use of the balancing potential of market relations.

Law enforcement organs must elaborate a coordinated policy and measures to combat economic crime ensuring the protection of economic relations against criminal and other unlawful infringement and intensify monitoring in this sphere.

IV. Measures To Overcome the Food Crisis and Stabilize the Consumer Market

For the purpose of overcoming the food crisis, Union and republic organs of executive power shall ensure the complete and prompt fulfillment of economic agreements for 1991 adopted by the USSR and the republics on questions of supplies of food and agricultural raw materials.

The Intergovernmental Commission on Food shall submit to the Federation Council proposals on the introduction from 1 July 1991 of strict arrangements for the distribution of staple foodstuffs from the all-Union fund, including from state reserves.

Unconditional fulfillment of the supply of material and technical resources to the agroindustrial complex in the remainder of the year in amounts not less than the 1990 level must be ensured. To this end:

Incentives to enterprises of all sectors for the fulfillment of contractual commitments to that complex must be substantially increased. As of 1 July 1991 a preferential procedure (with a rising coefficient) to establish resources to be used for consumption is to be established for increases in volumes of supplies compared with the actual level in 1990;

The practice of the countersale to agricultural enterprises, cooperatives, and citizens of material and technical resources and scarce consumer goods in exchange for agricultural produce is to be expanded. In July 1991 the intergovernmental commission on food shall determine the procedure, terms, and timetable for the formation and use of the special fund of such resources and goods, with a view to making broad use of this measure when purchasing this year's crop;

The governments of the USSR and the sovereign republics, in addition to the decisions adopted on recruiting equipment and workers from cities into agricultural work in 1991, shall organize the timely dispatch of transport and other facilities as well as personnel from the country's armed forces to take part in the harvesting, procurement, and transport of agricultural produce and raw materials.

For the purpose of forming mixed forms of agroindustrial production and involving private plots, working peasant farms, and inhabitants of cities and worker settlements more fully in food production, it is necessary to ensure the unconditional fulfillment of the USSR President's Decree of 5 January 1991 "On Priority Tasks in Implementing the Land Reform," first and foremost in allocating 5 million hectares of land to the population, and also of republic programs on land reform and the regeneration of the countryside. Market funds for construction materials for the provision of facilities for peasant farms, the construction of houses and outbuildings, and also feed for personal plots must be inceased for the second half of 1991.

In addition to the measures already being implemented to remedy the financial state of agricultural enterprises;

The proportion of agricultural output sold at contract and free prices must be consistently increased;

In the framework of antimonopoly measures rigorous monitoring of the soundness of the establishment of prices by monopolist producers supplying resources to the agroindustrial complex must be established;

The preparation of decisions ensuring equivalence of relations between the agroindustrial complex and other sectors of the national economy must be completed during the second quarter of 1991. Budget subsidies must be used primarily for the purchase of equipment, spares, fertilizers, mixed feed, and also the development of the countryside's social infrastructure;

The provision of credit to agricultural production must be improved, establishing as of the second half of 1991 a procedure whereby centralized credit resources are used mainly to support agricultural production.

To overcome the crisis in the consumer market in addition to earlier measures it is planned:

to redistribute hard currency resources to ensure that production units involved in the production of consumer goods and medicines are more fully supplied with imported raw and other material resources;

to channel materials and components as a priority into the production of consumer goods;

to establish as of 1 July 1991 profit tax concessions up to and including complete exemption from tax on that part of profit earned by increasing physical volumes of the production of consumer goods, foodstuffs, and medicines as against the corresponding period last year;

to introduce on 1 July 1991 profit tax concessions for construction organizations up to and including complete exemption from tax on the construction within normative deadlines of production and social facilities in sectors of the agroindustrial complex as well as facilities intended for the production of consumer goods and medicines. For failure to observe normative construction deadlines sanctions are to be increased and the scale determined by the republics;

to institute as of 1 July 1991 concessions for export and import operations by enterprises that use foreign currency earnings to acquire manufacturing equipment for the production of food, medicines, and consumer goods, the storage and processing of agricultural raw materials, and the purchase of foodstuffs, medicines, and other goods in the range of the minimum "consumer basket," and to regulate these purchases;

to introduce on 1 January 1992 a procedure whereby enterprises that export output in excess of contract supplies may make full use of their foreign currency earnings to purchase food, medicines, and other goods in

the minimum "consumer basket" as well as manufacturing equipment for their production;

to establish no later than June this year by decisions of republic organs stringent deadlines for commissioning uninstalled equipment purchased through centralized capital investments for enterprises in the light, food, meat and dairy, fish, and local industries, consumer services, and state trade. In the absence of guaranteed deadlines for the commissioning of facilities such equipment shall be compulsorily sold at auctions and commodities exchanges with the obligation on the buyer to ensure its immediate installation and commissioning;

to organize as of July this year the recruitment of specialized subunits of enterprises in the machine building and defense complexes for construction and installation work and the debugging of equipment at enterprises producing foodstuffs and consumer goods on mutually advantageous terms with a view to commissioning the majority of incomplete construction projects as soon as possible.

V. Improving Finances and the Money Supply

The governments of the USSR and the sovereign republics will firmly implement a financial, monetary, and credit policy aimed at reducing the budget deficit and the supply of credit, at stimulating business activeness, and at providing goods purchasable with rubles.

To this end:

A strict system of financing budget expenditure on the basis of reduced norms shall be introduced as of 1 July 1991, excluding expenditure on the pay of workers at budget-financed institutions, on payment of pensions, benefits, and grants, and on the upkeep of citizens in medical and other social institutions;

Proposals shall be submitted to the Federation Council on dividing the USSR's domestic and external debt as well as debts owed to the USSR by foreign countries between the USSR and the sovereign republics in June 1991. At the same time, the question of setting up gold, diamond, and foreign exchange reserves in the sovereign republics shall be resolved.

The questions of the budget structure and tax system for 1992 and subsequent years shall be worked out, with particular consideration for the fact that the Union budget, in terms of permanent spending, is financed on the basis of a federal tax set by the USSR Supreme Soviet after representations from the Federation Council and taking account of the funds needed to level out unjustified differences in initial conditions within three or four years (Footnote) (In order for the center to carry out the functions delegated to it, the RSFSR [Russian Soviet Federated Socialist Republic] and the Ukrainian SSR [Soviet Socialist Republic] will submit to the Union budget only fixed sums in amounts agreed between the USSR Cabinet of Ministers and the republics.

The Ukrainian SSR proposes extending this program to cover 1991), while spending on development programs and nonbudget [vnebyudzhetnyy] funds is financed on the basis of interested republics taking a proportional share of the total sum by agreement. Work will be completed no later than 1 July this year;

Unswerving fulfillment of decisions enshrined by economic agreements between the Union and the republics shall be ensured in the sphere of the drawing up of USSR and republic budgets, pension funds, employment funds, social welfare funds, economic stabilization funds, and an interrepublic fund for the social protection of the population;

The fulfillment of programs shall be analyzed and a moratorium introduced on the adoption and execution of new programs which increase budget spending;

An inventory shall be taken before 1 July 1991 of all production facilities whose construction is being financed by the budget or nonbudget funds, and financing and material and technical resources shall be redistributed in favor of those projects which lie in sectors providing vital services [zhizneobespecheniye] to the economy and the population, have a high degree of readiness, and produce a considerable economic and social effect. Extensive sales of unfinished production facilities to Soviet and foreign legal persons and citizens shall be organized on condition that their commissioning is expedited. In all investment policy the line shall be firmly followed of replacing nonrepayable financing to businesses from centralized sources with commercial bank loans and repayable financing from nonbudget funds.

The formation and use of a Union-republic subsidy fund shall be envisaged on a mutually agreed basis between the sovereign republics;

Proposals shall be submitted in June this year to the Supreme Soviets of the USSR and the sovereign republics, on the basis of representations from the Central Council of Banks and central banks in the republics, on establishing maximum amounts (limits) for credit in the budget expenditure of the USSR and the sovereign republics for 1991, and their unswerving implementation shall be ensured.

The section of the USSR law "On Enterprises in the USSR" regarding sequential payments on the basis of date shall be temporarily suspended for the period of the anticrisis program, establishing a priority (after payment of salaries) for payments to the budget and, if necessary, a compulsory procedure therefor.

The plans for the completion of the work to eliminate loss-makers, which envisage for each specific enterprise measures of an economic and administrative nature, including the temporary assumption of management of the enterprise, the replacement of its leadership, and its conversion, reorganization, or compulsory privatization shall be adopted no later than June 1991 by all organs of

sector and territorial administration. Subsidies from economic stabilization funds shall be supplied solely to a limited range of enterprises under lists ratified by the governments of the USSR and the republics in the spheres under their control. Draft acts of legislation on bankruptcy and the right to mortgage property shall be submitted to the USSR Supreme Soviet in the second quarter of this year.

Turnover tax shall be reformed as of 1992 and the sales tax abolished and replaced by value-added tax and an excise system.

Immediate measures shall be taken together with the USSR Gosbank [State Bank] and republic central banks to improve payment and accounting discipline in the national economy, to expand the practice of commercial credit, and to introduce bills of exchange and mortgages for all forms of enterprise property.

The formation of a USSR reserve system and a banking system on a two-tier basis shall be completed by 1 July 1991. A Central Council of Banks comprising the chairmen of the central banks of the sovereign republics and the USSR shall be set up no later than June 1991 and its statutes ratified by the Federation Council by 1 July 1991. Corresponding changes will be made to the USSR law "On the USSR State Bank."

The Central Council of Banks shall:

elaborate in May-June of this year a draft directive for monetary and credit policy under the conditions of economic crisis, with a view to raising the discount rate, the capital adequacy requirements for commercial banks, and interest rates for loans to a level which will restrict inflation;

ensure strict observance of legislation on the independence of credit institutions from the executive at all levels. Banks shall not execute decisions or requests from executive organs to issue loans—either for their own needs or for enterprises under their jurisdiction—over and above the maximum amounts of credit laid down;

implement an active policy of encouraging all forms of saving by the population and set interest rates on deposits which take into account the pace of inflation.

The financial market shall be consistently developed, and the shaping of its infrastructure—stock exchanges, insurance, broking, and auditing companies, and their corresponding watchdog institutions—shall be encouraged in every possible way. The formation of the necessary legislative base for a securities market, ensuring unrestricted trading in securities by legal entities and citizens, shall be completed by 1 November 1991.

In the second quarter of 1991 an intergovernmental agreement on the implementation of an agreed pricing policy shall be drawn up and signed, envisaging:

the optimum correlation of free, regulated, and fixed prices and the subsequent transition to world prices;

the implementation of a phased reduction in the sphere of administratively regulated wholesale, purchase, and retail prices in conjunction with measures to provide for the social protection of the population;

the clear-cut definition of a limited list of products to be sold at fixed state prices; and

the introduction of a special mechanism for regulating and restricting the price of goods from monopoly producers.

Work to strengthen law and order and combat the black economy shall be made purposeful and active, primarily with a view to putting a stop to operations aimed at creating artificial shortages, concealing income, and evading tax. This work shall be carried out in close collaboration with the committee coordinating the work of law-enforcement organs, and the Security Council. A special federal service to combat the black economy shall be set up in the third quarter of this year.

Officials and citizens who conceal their income or evade taxes shall become liable to administrative, material, and criminal proceedings. The relevant draft law shall be submitted to the USSR Supreme Soviet in the second quarter of 1991.

VI. The Denationalization and Demonopolization of the Economy, and the Development of Enterprise

The governments of the USSR and the sovereign republics envisage implementing an active policy to denationalize and demonopolize the economy and to develop enterprise with a view to rapidly bringing mechanisms of market regulation into play, increasing motivation for work, and shaping real owners in the economy.

In the sphere of denationalization and privatization:

Special Union and republic denationalization and privatization programs shall be drawn up and come into force in the third quarter of 1991 with a view to ensuring the priority privatization of enterprises and organizations that provide a service to the population, manufacture consumer goods, produce food, or process agricultural raw materials, and of small enterprises in industry, construction, and transportation;

The adoption shall be ensured in the second quarter of 1991 of normative documents regulating a denationalization and privatization process coordinated with the republics, and the procedure for valuing and providing for the purchase of property by members of labor collectives, other citizens, and legal entities shall be clarified, envisaging the possibility of the extensive utilization to this end of the funds earned by enterprises, as well as the partly free transfer of enterprises' property;

The proportion of shares (equities) remaining in state hands shall be consistently reduced;

The lists of enterprises and production facilities ineligible for leasing shall be revised before 1 July this year

with a view to substantially reducing them. The lists of the kinds of production facilities and enterprises ineligible for privatization by dint of their defense or other special importance shall be ratified at Union and republic levels.

In the process of denationalization and privatization priority shall be given to the creation of joint-stock companies, partnerships, collective (people's) enterprises, and enterprises leased with the right to buy. The line of developing collective ownership with personalized records of citizens' investment, share, and equity holdings shall be implemented. Preferential terms shall be created for the transfer of state property in the shape of shares and equities to members of labor collectives. With a view to expediting privatization, property shall be sold on a partly paid basis, tax concessions provided, and help given to citizens with loans.

With a view to demonopolizing the economy and creating a competitive environment:

Draft guidelines for antimonopoly legislation shall be submitted to the USSR Supreme Soviet in the second quarter of 1991 defining the regulations governing the activity of participants in economic turnover in the all-Union market;

The development of small- and medium-sized businesses shall be promoted along with the creation of alternative production facilities, including those using foreign capital; the breakup, where expedient, of monopoly participants in economic turnover shall be stimulated by economic methods; and the bulk of enterprises shall be consistently removed from the direct control of state organs. The implementation of demonopolization measures in the sphere of material and technical supply and trade shall be accelerated. An Antimonopoly Committee shall be set up and its work organized in the third quarter of this year;

Foreign economic factors, including the involvement of foreign firms in the Union market, shall be used to combat monopolies.

With a view to actively developing entrepreneurial activity:

A Union-republic program of support for entrepreneurial activity shall be set up in the third quarter of 1991, and the expansion of a network of cooperative, family, and other nonstate economic entities and small enterprises shall be promoted in every possible way. The creation of a committee to promote small enterprises and entrepreneurial activity shall be expedited;

A tax policy aimed at providing incentives for business activity shall be implemented. As of 1 July 1991 concessions shall be introduced on the taxation of the profits of enterprises of all forms of ownership which are channeled into production development, as well as on the income of enterprises and citizens used to purchase the property of state enterprises or to buy shares;

The procedure for registering individual entrepreneurs shall be simplified as of 1 July 1991, and the organization of information, consultation, and training centers and innovation and insurance funds promoted;

Proposals shall be submitted on the legislative repeal in the second quarter of 1991 of the all-Union restrictions on the activities of trading and purchasing cooperatives, while retaining the ban on operations involving the group of goods and articles which are a state monopoly (gold and valuables, alcoholic beverages, tobacco, gasoline) or socially dangerous (weapons, toxins, and so forth). Republics independently regulate the activities of trading and purchasing cooperatives;

Enterprises' right to determine working procedures and hours shall be expanded. Following the established procedure, the centralized restrictions on overtime and other forms of labor activity shall be lifted as of 1 July 1991 with a view to resolving these issues in corresponding collective contracts and agreements;

The transition of the leaders of state enterprises to work under contract shall be basically complete by the end of 1991.

VII. Foreign Economic Activity

The governments of the USSR and the sovereign republics intend to consistently pursue the strategic line of ensuring the openness of the Soviet economy and actively involving all components of the national economy and subjects of ownership in the international division of labor and world economic ties.

As of 1 July 1991 the sovereign republics conduct foreign economic activity autonomously. The Union-Republic Foreign Currency Committee provides the requisite coordination of actions in this sphere. It shall be determined:

that the republics and the USSR receive and make subsequent use of new loans, grant foreign states credits and economic aid, and also conclude agreements on receiving such aid from foreign sources autonomously and they bear responsibility for this;

that the Union-Republic Foreign Currency Committee allocate among the republics the quota granted to the USSR for exports of various goods and raw material resources. The USSR retains control over export quotas for a limited range of output on a list agreed with the sovereign republics, along with the granting of licenses within the framework of its own quota. Licensing of all output, including basic natural resources—oil, gas, coal (apart from defense and other output of particular significance)—shall be handed over completely as of 1 July this year to the jurisdiction of the sovereign republics. Licenses issued by the republics are binding on all customs services. Customs duties are fixed by agreement with the republics.

In accordance with a decision of the Union-Republic Foreign Currency Committee, the sovereign republics autonomously carry out barter operations. Material and administrative liability for barter operations that aim to procure abroad luxury goods and other commodities not geared to mass demand is to be enhanced.

Decentralization of foreign economic activity is to continue with a view to further extending the autonomy of enterprises, regions, and republics, and the monopolism of foreign economic structures is to be eliminated by the end of this year.

A series of measures is to be formulated and implemented to provide incentives for enterprises' professional activeness in foreign economic activity, in particular:

A draft USSR law on taxation of foreign currency income and repatriation of profit and foreign currency is to be prepared and submitted to the USSR Federation Council in the third quarter of this year;

The Union-Republic Foreign Currency Committee is to prepare for submission to the USSR Federation Council this June the question of changing the existing procedure for utilizing foreign currency resources, bearing in mind that questions of clearing the foreign debt following its distribution among the USSR and the sovereign republics will be decided by the republics and the USSR autonomously;

A system of export insurance is to come into force as of the third quarter of 1991.

Implementation of the program for the transition to ruble convertibility is to be speeded up, with a view to ensuring domestic convertibility as of 1 January 1992. To this end it is necessary:

to implement a phased transition to ruble convertibility in specific kinds of transactions and operations;

to develop a network of foreign currency exchanges and auctions, along with banks empowered to conduct foreign economic operations, including involving foreign currency;

to effect a transition to domestic ruble convertibility, while at the same time ceasing the use of foreign currency in transactions between enterprises within the country;

to bring the 1991 import program into line with the country's real foreign currency resources and opportunities for attracting foreign credit; to implement a series of measures to develop production units and technologies to replace imports.

No later than September 1991 a targeted Union-republic program to attract foreign capital shall be formulated, envisaging the creation this year of favorable conditions for an influx of foreign capital into the country, primarily in sectors and spheres of priority development. And the procedure for attracting foreign investments must be coordinated, providing them with the guarantees customary in world practice.

Coordinated proposals shall be prepared for examination by the Federation Council in the third quarter of 1991 on granting concessions to foreign countries and companies.

The organizational and legal foundations of cooperation with major economic groupings, above all with the countries of the EC and the Asia-Pacific region and G-7. The policy aimed at cooperation with leading trading and financial organizations, above all with the IMF, the International Bank for Reconstruction and Development, the European Bank for Reconstruction and Development, GATT, and others, shall be continued.

VIII. Social Protection of the Population

Immediate measures to provide the population with social protection and support shall be geared to:

maintaining the purchasing power of the population;

ensuring employment and averting mass unemployment;

protecting disabled citizens and socially vulnerable strata of the population;

strengthening the system of public health, education, culture, and other sectors in the social sphere.

To this end it is necessary:

To implement by the end of 1991 a transition to a system of labor remuneration in keeping with market relations, founded on a system of wage rate agreements and state guarantees of minimum labor remuneration for the main professional and skilled groups of workers. To lift administrative restrictions on individual earnings and create legal, economic, and social conditions enabling citizens to earn a decent living through their own labor. To legislatively enact in the second quarter of this year a mechanism for tripartite social partnership based on the conclusion of agreements between state organs, owners' representatives (unions and associations of entrepreneurs), and trade unions. And to regulate the increase in labor remuneration and other social issues of the development of labor collectives in 1992 on the basis of tripartite collective (wage rate) agreements;

To reduce the level of the maximum rate of taxation on citizens' incomes and raise the minimum level of nontaxable income;

To make purposeful use of social consumption funds, above all to provide material support for invalids, pensioners, children, the disabled, and socially vulnerable strata of the population;

To create a system of minimum unionwide social guarantees to be practiced by the republics autonomously within the framework of coordinated social policy.

Along with the implementation of this year's social programs, interrepublic agreements, and agreements with trade unions, an additional series of measures shall be carried out, in particular:

The shaping of a system of minimum consumer budgets shall be completed within the second or third quarters of 1991 and a phased increase in minimum wages, pensions, subsidies, grants, and other social payments implemented with consideration for the size of these budgets and also for the economic potential of the republics and the country. And a USSR presidential decree on the general principles of forming the minimum consumer budget shall be adopted no later than June this year;

Proposals on the procedure for setting up and utilizing a Union-republic social program fund with consideration for the introduction of minimum consumer budgets shall be submitted for consideration by the Federation Council in the third quarter of this year;

Draft fundamentals of USSR and Union Republic Legislation on Indexing the Population's Income shall be submitted no later than May this year for consideration by the USSR Supreme Soviet. Provision shall be made for the income of the most vulnerable strata of the population—pensioners, invalids, young students—along with social subsidies, to be indexed at the expense of budgets and nonbudget funds. Expenditure on maintaining budget-financed establishments, including wages, shall be indexed. For remaining workers employed in the national economy questions of increasing their income in connection with the price hike shall be resolved via collective contracts;

The sales tax for socially significant essential goods and services shall be abolished. The USSR Cabinet of Ministers shall ratify in May 1991 the list of these goods. The governments of the republics shall autonomously supplement the list of these goods and services;

An individual record of the 1-percent mandatory insurance contributions paid by working citizens into the pension fund shall be organized and this money, including sums paid in 1991, paid into personal accounts with a view to increasing their pensions as a result of the money paid in;

Draft Fundamentals of USSR and Republic Legislation on Labor and Labor Protection shall be prepared and submitted to the supreme soviets of the USSR and the sovereign republics in the second quarter of 1991.

In the sphere of guaranteeing employment:

The formation of a state employment service network and employment assistance funds shall be completed by and large within the third quarter of 1991;

The formation of unionwide, republic, and regional employment programs shall be completed in the third quarter of 1991, with provision for effective measures to avert mass unemployment and create additional jobs, above all by developing enterprise, small-scale enterprises, and the cooperative sector. Paid public work shall be introduced;

By and large, a system of professional orientation and retraining for the unemployed population is to be completed by the end of this year, and mass training of personnel with consideration for the needs of a market economy is to be launched.

Steps are to be taken to create a system of social guarantees for servicemen and people discharged from the Army. By way of urgent measures in this area provision is to be made for:

A consistent improvement in servicemen's material and cultural-consumer provisioning by cutting expenditure on arms procurement and military construction and also by selling outmoded and surplus Armed Forces property;

The implementation of a package of measures to create the requisite housing and everyday living conditions above all for the contingent of servicemen being cut back and withdrawn from foreign countries.

On the basis of targeted republic programs implementation of housing reform and privatization of housing shall be embarked upon.

The effectiveness of the work of law-enforcement organs shall be boosted and the personal safety of citizens, their property, and civic rights ensured.

IX. Scientific and Technical Progress and Priorities in the Structural Restructuring of the Economy

The following are set as strategic tasks in this sphere:

The creation of a developed industrial consumer sector of the economy;

The development of market mechanisms in the scientific and technical sphere, the formation of a market infrastructure for innovative output and intellectual ownership.

To this end it is stipulated that:

The structural restructuring of base sectors of industry shall be initiated and incentives provided for the respecialization [pereprofilirovaniye] of machine building in order to meet the needs of the industrial and consumer complex;

A conversion program shall be submitted in the third quarter of 1991 for examination by the Federation Council, with provision in it for radical steps to reduce spending on production of military hardware and use the potential of the defense industry complex to increase consumer goods production, ensure the technical reconstruction of the national economy, and strengthen the country's export potential;

Sources of funding for targeted unionwide, interrepublic, and republic programs shall be expanded, with a view to

enlisting—along with money from budgets at all levels—nonbudget funds, bank credits, and resources from interested enterprises, organizations, and foreign investors;

The creation of a Union-republic fundamental research fund shall be completed in 1991.

An inalienable part of the Program is the plan to organize the work of implementing the said Program, which defines coordinated measures, procedure, dates, and those responsible for their implementation (appended).

The above plan is binding on state management organs at all levels. The leaders of these organs bear personal responsibility for its implementation.

The governments of the sovereign republics deem it necessary for the USSR Cabinet of Ministers to be assigned overall coordination of the work to implement the Program of Joint Actions.

The progress made in implementing the Program is to be examined every quarter at joint sittings of the USSR Cabinet of Ministers and the governments of the sovereign republics.

The governments of the USSR and the sovereign republics urge the people and all public organizations and movements to join ranks and consolidate efforts to extricate the country from the crisis and normalize people's lives.

[Signed] USSR Prime Minister V. Pavlov
I. Silayev, chairman of the RSFSR Council of Ministers
Ukrainian SSR Prime Minister V. Fokin
V. Kebich, chairman of the Belorussian SSR Council of Ministers
Uzbek SSR Vice President Sh. Mirsaidov
Kazakh SSR Prime Minister U. Karamanov
Azerbaijan SSR Prime Minister G. Gasanov
Kyrgyz Prime Minister N. Isanov
Tajik SSR Prime Minister I. Khayeyev
V. Manukyan, chairman of the Armenian Council of Ministers
Turkmen SSR Prime Minister Kh. Akhmedov.

'Window of Opportunity' Program Criticized

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[Doctor of Philosophical Sciences Eduard Volodin article: "No Window of Opportunity—Doctor of Philosophical Sciences Eduard Volodin on the Soviet-American Program"]

[Excerpts] As we know, G. Yavlinskiy's trip to the United States culminated in the creation of the "Window of Opportunity" agreement which, according to its authors, will define the substance of reforms in the USSR. [passage omitted]

Indeed, to begin with, the program of economic reforms proposed by Yavlinskiy and his 12 disciples (what a parallel!) entails the reform in the USSR—or in whatever appears in its place—of the political system and the means of production and distribution, and the emergence of a new class structure and new geopolitical interaction. It is these consequences, and not just the progressive economic measures, which permit us to define the program imported from across the Atlantic as a political manifesto and a strategic plan for a political coup. [passage omitted]

But, looking at the transatlantic program as a program of revolution in reverse, I must say that it is shallow with regard to social analysis and simple-minded to the point of naivety in its account of the political forces necessarily brought into play in the process of transition from socialism to capitalism. The fact is that the economic content of the "Window of Opportunity" is valid insofar as this content is abstracted from the social and historical reality of Russia and the USSR, from social psychology and ideology. In practice, the said program is no more than an economic model to which have been applied unsound mathematical estimations of the structural economic changes bound automatically to alter the very sociopolitical reality. Hence the rehash of the fall 500-day program phases of privatization with simultaneous democratization, conversion with parallel entry into the world community, and the liberalization of prices with the simultaneous convertibility of the ruble. I repeat, such prognostication has a place in theoretical analysis or schematic outlines of the behavior of a social system. In the history of social movements, constructs analogous to the methodology chosen by Yavlinskiy and his colleagues were characteristic of utopian socialism or the practical operation of small social systems (people's communes or Fourierist phalansteries) but were unsuitable for large ethnic-state formations. Therefore, on paper the statement that accelerated privatization will take place and that the multimillion-strong army of unemployed will consequently enter the labor market, retrain, and even relocate to other regions (you can't help but be reminded of L. Trotskiy's labor armies!) comes easily. But in practical politics such idealism is unforgivable and any true politician must envisage clearly how 15-20 million people will react to his policy and program when they have been out of work for six months and are no longer entitled to unemployment benefit. The same politician must take due account of the social psychology of a population which for two years will be deprived of the right to free health care, education, and culture. Finally, this same politician must elaborate for himself possible behavioral patterns of a population subjected to semi-starvation under the ration system while life's new masters—the criminals, dealers, and speculators of yesterday—amuse themselves legally and democratically in commercial stores, restaurants, and leisure complexes. And it is because the new document—like the old 500-day program—miscalculates the sociopolitical factors of the development of events within the country that it can be called a social utopia which is all the more dangerous because it lays claim to the role of a direct and practical plan of action.

Do the authors of this utopian document understand this? I think they do if they are banking on stabilizing social relations via Western investments. The authors of the "Window of Opportunity" believe that all the social upheavals can be resolved through and with the help of Western economic injections into the Soviet economy. And here the authors correctly estimated the potential and results of the influence of Western economic aid on society. And equally correctly they have noted that these injections will cost our country its political independence and give political and economic centers of the West control over its development. The USSR's solvency will be guaranteed by raw materials and energy resources which, in line with the "Window on Opportunity," will be at the West's disposal and the transfer of these resources from the Soviet Union will be intensified to the utmost degree. Thus social stability will be obtained via a loss of sovereignty and the uncontrolled selling off of our national wealth. All this put together is called coparticipation in the new world order, but if we take the criminal war conducted by the United States and its allies against the Iraqi people as a measure of this concept, it is clear what kind of world order ethics will prevail in dealings not only with—not even primarily with—the Third World, but also with the conglomerate of pseudostate formations inevitably emerging across the entire expanse of the former USSR as a result of perestroyka and privatization.

Here too I can understand that the American partners in the "Window of Opportunity" program are consistently and openly defending the interests of **their** country. But I cannot comprehend **whose interests** the Soviet partners in the agreement are defending by breaking up the USSR and transforming it into a resource base. And, moving from a utopian economy to actual policy, once again I can see how spirited third grade students are happily exchanging national dignity, historical traditions, and the country's sovereignty for a promise of abundant returns in full dilettantish confidence that everything can be bought or sold for a ration of bread and butter.

One is not inclined to trust in the naivety of spirited student economists. And upon reading the "Window of Opportunity" document more closely you see that, from the first stage of privatization to its victorious conclusion, it consistently assumes reductions in the Army, the cutting back of the defense industry, and conversion, and this cannot but result in the new economic zone with a freely convertible currency being quite exposed to any strong pressure from outside.

Yavlinskiy Grants Interview on Reform Program

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["Television Press Club" conference presented by Sergey Torchinskiy and Nina Zvereva, with Grigoriy Alekseyevich Yavlinskiy, author of the "Harvard University" reform program, answering questions by correspondents from IZVESTIYA, KOMSOMOLSKAYA PRAVDA, LITERATURNAYA GAZETA, MOSKOVSKIYE NOVOSTI, ROSSIYSKAYA GAZETA, GLASNOST, KURANTY, SOVETSKAYA ROSSIYA, and KRASNAYA ZVEZDA, and with additional questions from Aleksandr Radov, observer of Russian Television, and Vladimir Gurevich, observer of economic issues of MOSCOW TIMES; "Without Retouching" program on 4 July—recorded]

[Excerpts] [Torchinskiy] Hello. Russian Television welcomes you today to our Television Press Club, which has already established itself, to this improvized studio, where there is an incredible heat. Today in our Television Press Club is Grigoriy Alekseyevich Yavlinskiy. Always...

As always, I am working together with Nina Zvereva. My name is Sergey Torchinskiy. A tradition has built up here; Grigoriy Alekseyevich, if you want then you have the right to some kind of statement in the first five minutes.

[Zvereva] I just want to say—excuse me—that besides representatives of various newspapers—I think the faces of the correspondents are also familiar to our viewers after the presidential debates which were held in this hall—we have two correspondents present who today are not representing their newspapers and publications: Aleksandr Radov, observer of Russian Television, and Vladimir Gurevich, observer on economic issues of MOSCOW NEWS. Each one is representing himself, being specialists on the questions under discussion today.

[Yavlinskiy] Thank you. My statement is very simple. I want to thank you for the attention shown to what my comrades and I are doing, and I want to say that it seems to me that recently there has been a great deal of information on what we are doing, therefore it is better to start immediately with questions. Then it will be clear to me what is most interesting and worrying, and I think in this way we will satisfy the viewers' desire to find out as much as possible about what we are doing.

[Torchinskiy] No, nonetheless, let us stick to our tradition. If you want, choose any newspaper which can start.

[Yavlinskiy] Well, I think that the criteria are correct, according to boldness. So we will start in this way. [wipes sweat from brow]

[Torchinskiy] Please.

[Andreyev] Nikolay Andreyev, IZVESTIYA. Grigoriy Alekseyevich. Basically, the Soviet people has the same attitude to programs as to Communism. It doesn't believe in either any more. Did you take this fact on board when you prepared the program?

[Yavlinskiy] Yes. I think that the point of those programs which may now be needed, which are now needed, is basically to suggest rules of action. This contrasts greatly, let us say, with programs similar to five-year plans, to the housing program, and the food program,

where how many apartments to whom and when is written down, and where how many tons of food to what person will be allocated over what time is written down. [sentence as heard]

The kind of program which is under discussion now attempts to answer the question of what the rules of a transition to a market economy in our country should be, and if a joint program is adopted—that is the program of interaction in the business of a transition to a market economy—then we are offered rules as partners. Then this program is like the rules of chess. There it is impossible to prescribe everything ahead, how everything will happen, how everything will be, and the main thing is to answer how this should be done and begin the game.

[Andreyev] You understand the problem—it may happen that you are trying to play chess while the people will try to play dominoes, thinking that it is playing dominoes.

[Yavlinskiy] No, this cannot happen because this program hasn't been written for me, so that I alone do it, and it is not written for the State Planning Committee, not for the Ministry for the Economy, and not for the Council of Ministers. This program has been written for the people. Within this program there is an attempt to answer the question of how people should act—ordinary, individual people, entrepreneurs, citizens, and enterprises,—in order to achieve the main objective. The main objective regarding people consists, in a market economy, in the fact that a person has the opportunity to decide for himself on questions of providing his family with everything necessary, and in the event of his managing to improve the way he works, well, the result of his work, then he correspondingly manages to improve his family life. Basically, these are all the rules. In drawing up this program, we have attempted to do everything professionally. It expounds what rules and conditions should be introduced over a limited timescale in order to create such conditions for people's actions.

[Unidentified KOMSOMOLSKAYA PRAVDA correspondent] Grigoriy Alekseyevich, tell me please, what did the pitiful experience of the 500-days program teach you?

[Yavlinskiy] I think the main conclusion is that, first, it was almost exclusively an economic program, and it came up against the fact that that political system which existed during that period was basically not in a state to implement that kind of economic program, whose objective in the final analysis was to change all social relations and transfer them to a qualitatively new level, distinct from that at which we live. Therefore, this program is not just economic. Perhaps for the first time in this program we have attempted to unite political processes with an economic transformation, and to do this as a single process, so as to take account of this experience.

The second lesson consists in the fact that all attempts of persuasion in the privacy of offices, going to all kinds of conferences, their effectiveness is very low. Therefore, the program as an idea or as a concept must be introduced to the public, to the people, if you like, and they must decide for themselves. If they feel that it is in their interests then they must defend their interests themselves. Individuals cannot do it. Taking into consideration the fact that this program has been written not for an individual but for the people as a whole, and if it is in their interests, then they must themselves exert the necessary pressure on the administration structures so that a program of this kind is implemented.

[Unidentified correspondent] Grigoriy Alekseyevich, there is a saying: Initiative is punishable. Now, you are the author of the program. How would you, what if you are [words indistinct] into the armchair of the prime minister of the Union?

[Yavlinskiy] Well, this is question which cannot be answered by just yes or no. This question requires that a whole number of circumstances are specified. Among these circumstances is the fact that one must be quite sure that such a program enjoys support. One must be quite sure that there are powerful political forces which are interested in the implementation of such a program. One must feel confident that this is not going to be just fiction, but that all the power structures are going to work in coordination, and that finally the government will have the data at their disposal which is indispensable for the implementation of the program; I mean, say the approximate data on the gold reserve, and on other things. Then an analysis of all these factors could be made and only then could a decision be made.

[Loginov] Loginov, LITERATURNAYA GAZETA. Grigoriy Alekseyevich, on 17 June, a resolution of the USSR Cabinet of Ministers was published on organizational measures on developing production programs and forecasts. While on 28 June, Ivan Stepanovich Silayev, speaking in the Russian Parliament, said that this resolution cancels our many of the agreements that have been achieved, and is in fact an atempt to return to command and administration methods of controlling the economy. In this connection, I have a question: Do you believe in Pavlov's market intentions, and do you think that the present Union Government can be a participant in the process that you, in your program, propose to start?

[Yavlinskiy] Well, I think, in fact, that any government which is sane must strive to become the government in a country which has a market economy. Because to suggest at this point that anyone is in a position to control every detail of the economic behavior of an enormous country is pure insanity. Therefore, I think that Pavlov's government, in principle, would not mind moving over to a market. However, further on, questions arise on how to do it and what it will mean for the people. This is a substantially significant issue. It seems to me that many elements which are contained in the resolution which you have mentioned, and in the draft programme that

has been prepared, their nature is command and administration. They are bad not just because of their commanding and administrating nature—like when they write in the program: to create conditions, to execise control, or something else—but because they are just not going to work. The whole of society will be no better off than before. There are some measures written down there which simply do not work, simply cannot work by definition. The crisis and degradation of the economy will continue at an increasing pace, that is all.

[Unidentified correspondent] One question, if you permit, concerning the contents of the program. At the early stage of reforms you suggest that—up to the end of 1992—you suggest that price liberalization should be implemented. At the same time, you write that broad masses of the population are ready for the reforms. But we know that the price rises in April were perceived to be quite painful. Don't you think that you overestimate the readiness of the broad masses of the population to suffer another price blow before the end of 1991?

[Yavlinskiy] Well, first of all I would like to make it clear that it is written that before the end of 1991, price liberalization will only concern luxury commodities. This is what we were talking about. Second, I would like to point out—I have been talking about it since last summer—price liberalization and an administrative price rise which our people experienced are totally different matters. [passage omitted] In future I think that the fate of the Central Government—in case we preserve the Union—will be that it will be a federative government, that is to say, a government which in one way or another has been set up by the republics. [passage omitted]

All in all, there are two roads. One road is an uphill one, the other is a downward slide. We have had quite enough of having the wool pulled over our eyes. The time has come to say, I mean, that the uphill road is a difficult and steep one and it is difficult to clamber up it. No one can guarantee that we will clamber up it within a certain period of time. But it is a road, nevertheless. But what is currently taking place is clearly a downward slide, clearly so. The politicing obscures all the economic problems and this must be stated bluntly and seen.

This then is the case as far as the Union is concerned, as it were. The second problem is the problem of Populism. [passage omitted] Populism is a lie as a matter of fact. A lie, pure and simple. [passage omitted]

"If it is a matter of curtailing social programs, I personally have in mind the curtailment of social programs which even today are pointless. The Pensions Law has been adopted in Russia and the minimum pension is 120 rubles—you can imagine what this means. This means that all the other payments and benefits ought to be increased forthwith, and so on and so forth. From what sources of revenue? How is all that to be done? All this may turn out to be a soap bubble and all our old people and everyone for whose sake this is being done will simply be mercilessly cheated.

The second part of your question essentially concerns the country's national security. My personal view—I think that it would not perhaps be much to the liking of a rank-and-file IMF expert, a rank-and-file one, I stress—but my view is that in dealing with the Soviet Union they ought to take account of the fact that it is an unusual country, that it is not some sort of African republic or a Latin American country, but a superpower. [passage omitted] It is a world power which has its own huge and important strategic secrets, including military secrets, and it is a specific issue which figures in the negotiations. My view would be that account ought to be taken of two factors. Official representatives of the Union of Republics, the Soviet Union, or whatever the name, ought also to set the counter conditions which should take cognisance of the nature of this country. I am unable to answer about details for I am not a specialist in this area. However, merely as a professional who is dealing with this problem, I must say that there are limits here, absolutely firmly so. The second circumstance that ought to be formulated here—well, it would seem to me and, maybe it is indeed the case and it would have been very good—but, as for me, generally speaking I am convinced that the direction chosen by the program is, nevertheless, our future. [passage omitted]

[Yavlinskiy] I beg your pardon, but I want to alter the course here, because I failed to give a complete answer to a question concerning a coup, coups that happen in the world as a result of IMF conditions, and I will answer it in my own time, because I want to answer this question. Do you know who, more often than anyone else, organizes coups in connection with the IMF policies? It is the mafia that organizes them. The mafia is certainly not interested at all in having strict financial policies. It has interests of its own. It is not to its liking when finances turn out to be under state control, when they are organized with precision, when there is a course toward convertibility, and when the market is opening up. This is because it is only when none of this exists that the mafia makes the biggest profits, and it is very important to understand it.

[SOVETSKAYA ROSSIYA correspondent] This draft envisages an increase in foreign investment in the Soviet economy. This will be some tens of billions of dollars. If one supposes that we are to receive $30 billion every year, this will amount to a vast sum over 5 years. Who will then pay off these debts? After all, we still have our old debts.

[Yavlinskiy] A very good question. First, I would like to say that if things happen in the way you have put it and in the way they are happening today, then no one will give us a cent, I can guarantee. The USSR can receive this money only on condition that those who provide this money are 95 percent certain that conditions have been created in the USSR which will receive this money properly and will use this money properly, that the

appropriate effect will take place in the USSR, and that as part of this effect this money will be returned.

[Correspondent] But what if this does not happen?

[Yavlinskiy] If this does not happen then no one will give us anything.

[Correspondent] But what if they give it to us but the effect does not take place?

[Yavlinskiy] Then, they will not give you so much. If they give you a small amount and see that it is not working, they say excuse me.

[Correspondent] Do you not think that this introduces a certain amount of uncertainty into your program?

[Yavlinskiy] It is uncertain in this way: if we behave in a way whereby say, they give us the first instalment and say: here you are, lads, we are giving you this to stabilize the ruble, to improve the food distribution system, to maintain housing, to help pensioners, and then they ask us: please tell us what you used it all for, and it turns out that we are digging a tunnel from Bombay to London or diverting rivers or something else that we have thought up, then they will say, that's it, good luck, goodbye. [passage omitted]

[Yavlinskiy] This is an attempt to put the question in a professional manner: In what way should the economy be reformed? And the thesis that was exploited for a very long time in our country that economics should be constantly studied in every workshop and that everyone should be taught economics, that was just a bluff which led to extremely unpleasant consequences. Let me explain what consequences. For example, when the miners went on strike in the summer of 1989, the leadership went there. What did the leadership say to them? That we shall now give you full autonomy, full autonomy to every mine. That was deceit. They simply took them and brazenly deceived them. That is, they proposed things which made no economic sense. They used their ignorance in these matters. There was no reason for them not to be ignorant in these matters. I, for example, know nothing at all about biotechnology, and they can tell me anything at all and I could agree to anything at all. [passage omitted]

One other thing—I have been getting away from the point—about money. Let me point out an extremely important circumstance. In the past five or six years, we have taken in an amount which is considerably larger than the one you stated. Further, no one knows how to repay it. What will be used to pay it back is unknown.

Looking ahead, you know that we have been given $1.5 billion for grain, yes? We asked; we went and asked. They said okay. Some short time later we shall need money for I don't know what—for cucumbers. We shall go and say: please give us this money. The discussion will begin again. But I can tell you my conviction that no one wants debts in the USSR. In the end they will also give us this money. Taking account of what is happening with our economy, taking account of the fact that we took 1.5 billion for grain after the best yielding year in recent times, one can suppose quite firmly that in the coming years we shall again take a similar sum of money; we shall take some for this, some for that, some for something else. So the amount will be about the same but the difference will be that we will not create any mechanism for returning this money, that nothing will change in our economy, and we shall simply be dooming our children to paying debts beyond their means for their whole lives. That is the difference between the two approaches. [passage omitted]

[Yavlinskiy] I would like to note the following nuance! This program—and if anyone does not agree with me let them try to prove the contrary—the program does not contain the thesis—give us money. No one went abroad to get money. The question is rather different.

There exists a great country. Today it is called the Soviet Union. It is of vast importance in the world. This country in a very short time came to the conclusion that it was necessary to carry out an economic transformation on a colossal scale. This economic transformation is extremely complicated and, in the conditions of our country, dangerous. This is a question facing the whole world. We are asking—I, as a private individual, for example—am asking the question: What concept do you have of how you regard this process? We wish to point out what concept there could be for resolving this question from our part. That is all.

If, based on the concept which is reached jointly and which could begin to be discussed in London, there arise questions of financial support, technical support, resource support, or cooperation or assistance, then these are questions which follow on from the principle of raising the question in this way.

You see look what is happening in Yugoslavia today. If something similar starts to take place in the USSR, this will affect the interests of everyone without exception, everyone living on this planet. This is all very simple. Abroad they sometimes say that blackmail is involved. Everything that has been written about missiles and all the rest has been written by the Americans, not by us. I do not employ these arguments at all. But they consider that these very serious circumstances exist and should be taken into consideration. [passage omitted]

[Yavlinskiy] What is of significance is what we intend to do. Events can develop in various ways in London. We can arrive with a magnificent program and they can say: Well, that's alright, a very good wheeze, let's see what comes out of it and then we'll think. They can say: you have a good program and we will cooperate with you, and we will now define the ways in which we are to get this done. However, the worst outcome is if we arrive with a program to which they say: No, lads, it is of course a matter for you, but nothing will come out of it. What

then will happen in our country? I think further disintegration, I mean in the republics, will take place. I think that inflation will exceed all sensible and imaginable limits. [passage omitted]

[Yavlinskiy] In the first place, I am not at all convinced that I am part of any sort of team. It is simply that, as I have already said before, it is all the same to me. I was taught in order to do this, and I studied myself for this, and that is why people work with me, that is why they support me. My task is to achieve the implementation of economic reforms, the process itself, in order, say, to give people an opportunity to live a little better and to determine their own destiny. If Gorbachev tackles this, I will work with Gorbachev. If Yeltsin tackles this, I will work with him. [passage omitted]

Interrepublic Commodity Exchange Begins Trading

PM1107111091 Moscow PRAVDA in Russian 4 Jul 91 Second Edition p 2

[V. Novoselov report: "Cement Under the Hammer"]

[Text] Moscow—The Interrepublic Universal Commodity Exchange, which picked the glass block next to the space pavilion at the USSR Exhibition of National Economic Achievements, opened its first commodity auctions yesterday.

Today assets worth almost 1.5 billion rubles [R] were up for sale. There were also twice as many organizations coming here with the hope of making a commercial profit. The Ukraine is biding its time at the moment. The Baltic republics, on the other hand, have shown enviable promptness.

At the opening of the auctions Yu. Voynov, the president of the exchange's board, noted that at present there is regrettably not enough information in the large-scale economic space. It is still the case that in cities and enterprises not everyone is aware that new principles of redistributing large quantities of materials and raw materials are in operation.

And so to the first contract: 2,000 tonnes of brand "300" cement to be delivered loose, Sverdlovsk Oblast, price R200 per tonne with 100 percent prepayment, scheduled for delivery between August and December.

The atmosphere in the dealing hall, it has to be said, is like that in a courtroom. Nobody can interrupt or hamper a deal without permission.

Nobody at all bought cement on the advertised terms, even after counteroffers were announced. The contract is being carried over to the next auction. On the other hand various brands of diesel fuel offered from Guryev Oblast was bought up wholesale in five contracts. Several thousand tonnes at R335-375 per tonne were sold immediately.

Rolled metal, coal, precut timber, textiles, gravel, linen, engineering and chemical products, and products from many other production sectors were on sale yesterday.

Situation in Foreign Currency Market Pondered

PM1107154391 Moscow IZVESTIYA in Russian 9 Jul 91 Union Edition p 2

[M. Berger report under the "Direct Line" rubric: "The Worse the Currency Situation, the Less the Ruble Is Worth"]

[Text] The next auction at the USSR Gosbank [State Bank] Center for Interbank Currency Operations is scheduled for 9 July. But it might not take place.

There is some justification in comparing the wait for the next auction on the currency exchange with waiting for the last bus—maybe it will come and maybe it won't. Of course, it will most probably take place, but INTERFAX reported that an auction did not take place last Tuesday, 2 July. A brief report to this effect in the agency's financial news provides only a few details. The decision to suspend the auctions was made in accordance with regulations that permit this to be done in the event of an imbalance in the market. Consequently the dollar's market rate remained at 27.6 rubles [R] to the dollar.

Remember, the so-called market rate is being applied in just one very narrow and specific sphere—non-trade operations, in other words currency exchange deals for people leaving the country permanently on private invitations, or in the event of foreigners wanting to exchange part of the currency they have brought with them for rubles. In a word, this rate mainly applies to people who languish in waiting lines in order to obtain a very modest amount of foreign currency in exchange for a very substantial amount of rubles. At the present rate, the average monthly earnings do not even reach $20, but it may so happen that even this very low rate will drop further. Under the regulations, the market rate is reviewed if the currency sale rate at the exchange rises. Admittedly, the farsighted organizers of the exchange established a minimum volume of sales which can influence the rate—at least $10 million.

Not once was this limit exceeded during the 11 auctions held since 9 April of this year. After the first auctions, when a total of $50,000 was sold, the rate settled at R27.6 per dollar, so that this rate can only be called a market rate conditionally (that is why I wrote "so-called market rate" above). Later, according to the report provided by INTERFAX, the price per dollar rose virtually nonstop and reached R42 at the last two auctions, when $7.3 and $8.2 million respectively were sold.

But when the volumes of sales started to get nearer and nearer to the danger line beyond which we would have to review the rate with a view to significantly "devaluing" the ruble, the auctions did not take place. The imbalance of the market, which was the reason for suspending the auctions, must be interpreted as follows: The demand to

purchase foreign currency exceeded the supply available for sale to such a degree that the brokers shivered. In unofficial conversations they claim that even R27.6 to the dollar is an unrealistically high rate, and here we have over R40.

However unlikely, incorrect, and unfair this may seem, the difference between the currency exchange rate on the black market and the rate established by the currency exchange gets increasingly sizeable, and it is impossible to ignore this, even though some people are trying to do so. This is leading to a situation whereby the waiting lines for exchanging private cash are not getting any shorter, although this was counted upon when the exchange was organized. This is understandable: The gap between the rates remains great. Another reason is that, out of the 14 banks that have gained access to the currency exchange, it is still only the USSR Bank for Foreign Economic Activity that serves private individuals. The rest do not do this—the turnover is too small and the conditions for providing a service to citizens are too disadvantageous.

It can be assumed that the volumes of sales at the auctions are being artificially curbed (technically this is not difficult in this type of exchange), so that the ruble's exchange rate is not lowered. This is confirmed by the fact that experts in the exchange are complaining that the procedure for reviewing the ruble's exchange rate for non-trade operations is restraining currency trade.

In a word, the foreign currency exchange is not bringing us any nearer to a foreign currency market, never mind the convertibility of the ruble which should occur, though only partially, but as the government is planning, very soon—as of 1992.

The main reasons for the constant "devaluation" of the ruble lie beyond the currency exchange, of course. As K. Katushev, candidate for a ministerial post, told parliamentarians 8 July, the volume of exports in the current half-year has been reduced by 62 percent. So, had it not been for convertibility, we would have had something to buy food with...

'Kazakh Specialists' Favor Chevron Cooperation

91UF0963A Moscow RABOCHAYA TRIBUNA in Russian 6 Jul 91 p 3

[IAN article: "Chevron Suits the President of Kazakhstan"]

[Text] The American Chevron consortium, which is vying for joint development of the Tengiz petroleum and gas deposit in Kazakhstan, could be a reliable partner. Kazakhstan President Nursultan Nazarbayev announced this during a meeting with journalists in Moscow. "A group of Kazakh specialists has studied in detail everything related to Chevron's activity, especially ecological protection when this company extracts petroleum," the president said, noting that "in the Gulf of Mexico shrimp are harvested under the Chevron oil derricks."

In March of this year, at President Nazarbayev's request, a commission appointed by the USSR Cabinet of Ministers conducted an expert evaluation of the draft agreement with the Chevron Company and approved it after making three or four remarks. But another expert commission of the USSR Gosplan [State Planning Committee], conducting a week-long study of the document, rendered a crushing conclusion regarding the draft.

Basis of Chevron-Tengiz Deal Questioned

91UF0942A Moscow NEZAVISIMAYA GAZETA in Russian 4 Jun 91 p 4

[Article by Mikhail Surtsukov: "The Tengiz Chevron Scandal Joint Enterprise—The Next 'Deal of the Century'"]

[Text] **The relationship between the American Chevron Corporation and our country already dates back some time. Its history began with the grandiose project of the century—the construction of five petrochemical giants in Tyumen. Nikolay Ryzhkov, a current candidate for president of Russia, was the loving father-benefactor of this deal, whereas the same Chevron was the main player. Tens of billions of rubles were senselessly poured into the marshes of Tyumen. However, everything has now quieted down after the political death of the party's vice regent in Tyumen, Bogomyakov. Enter Chevron again, and once again, there at the inception of the deal of the century was...Nikolay Ryzhkov.**

Tengiz is an oil field northeast of the Caspian Sea which is unique on many scores. Proven reserves are estimated to be under 2 billion tons. However, nobody really knows how much there actually is because they have not drilled all the way down to the lower boundary of the stratum, even at a depth of 5.5 kilometers. Large amounts of corrosive hydrogen sulfide are dissolved in Tengiz oil. The pressure of the oil and gas mix remains extraordinarily high even after the mix is lifted to the surface. Our oil workers have not worked under such conditions before; technological disruptions cost dearly here, both from a financial and an ecological point of view. This was shown yet again by a fire at well No. 34, which was successfully put out only 14 months later, and then with the help of the Americans.

So there are problems with developing the oil field both from the point of view of the availability of special equipment and of adequately skilled servicing of such equipment. Of course, the complexity of these problems is not such that it is impossible to resolve them in principle. For many years now, chemical machine building has been raring to go: We can give you equipment of the required standard, they have said; there are also many oil workers who grumble that they are up to it themselves...

But is it feasible to ignore the experience of foreign companies, which have been working oil fields with high pressure or with high hydrogen sulfide content for a long time now? Perhaps it is better after all, to pay for the use of someone else's experience and, as a result, lose less and get more. This idea was probably the original basis for using a foreign company to develop Tengiz. At the time, the Soviet side desperately needed a material basis for a political thaw; the USSR oil and gas industry was the only sphere which could still be of interest to large-scale American capital. Apparently, general dissatisfaction with the fact that, in essence, Americans had ignored all previous Soviet proposals for large-scale projects in the sphere of energy also played a role. The outcome is known: In Washington, Gorbachev and Bush solemnly signed an agreement on Chevron's participation in developing the Tengiz oil field.

Negotiations on a specific contract with Chevron, which were supposed to be wrapped up as early as last year, began after the visit to Washington. Since opportunities for Chevron's competitors to participate in the development of Tengiz were almost entirely eliminated, the Americans set conditions which were quite favorable for them and began to insist, quite fairly, on signing the contract as soon as possible in keeping with the deadlines set by the presidents.

However, despite the fact that Chevron is one of the 10 leading oil corporations of the world, and that the general standard of its competence is beyond a doubt, opting for an American company, be it Chevron or not, at the very initial stage was dubious from a purely economic point of view: Legislative restrictions on economic relations with the USSR are still more stringent in the United States than in other Western countries; Royal Dutch Shell has the most experience in working with hydrogen-sulfide oil and high pressures in the sphere of production, whereas Chevron will have to master new technologies on occasion, even if not the most sophisticated; Italy, France, and to a lesser degree Spain, have more economically advantageous markets in the sphere of sales.

The very organizational form for cooperation with a foreign company in developing Tengiz, defined as a joint enterprise with an initial lifespan of 25 years, which will subsequently be extended automatically for 10-year periods, appears quite surprising if we consider the resource nature of the enterprise and the fact that technologies contributed by the Western partner do not appear either unique or altogether advanced. It appears that the Ministry of the Oil Industry and the USSR Council of Ministers believe that they themselves will linger on for at least another 25 years, and during this time will prevent the oil workers from learning how to work to world standards.

However, the most fantastic things are found in the economic segment of the project which is submitted for implementation. Having secured the signatures of the two presidents, Chevron suddenly stated in the course of the negotiations that legislation exists in the United States which forbids the investment of capital by American companies in unfriendly countries when expected annual returns are estimated at under 25 percent! We are even somewhat embarrassed about the company's respected name. We may conjecture that only the complete incompetence of some Soviet negotiators could give rise to such confidence that nobody would even ask that these legislative acts be produced. This is precisely what happened! According to the basic version, the expected profit margin of Chevron is estimated to be approximately 28 percent annually, and the total volume of net profits is estimated to be about $30 billion. Cases are known in which multinational oil corporations have agreed to develop oil fields on the North Sea shelf expecting 20 percent annually in oil fields which are still in need of supplementary seismic exploration, to say nothing of exploratory and production drilling. Also, at least one large company is known to be eager to work the mothballed oil fields on Sakhalin counting on 12 percent annually—that is, precisely, the average profit margin which the oil industry of the United States has had in recent years. After all, this is twice as much as you would get by depositing money in a bank, and there is virtually no risk. Meanwhile, Tengiz is an oil field which has been ready for development for about a year now, but they are waiting for an American to come and open the valve.

The ruble-denominated segment of the work has been reappraised in dollars by using a rate of 1.8, despite the fact that a single well in Tengiz is estimated to cost 10 million rubles [R] ($12 million). The degree to which such things have been taken into account is unknown. However, be that as it may, as a result, the work done by the Soviet side was estimated to be worth $850 million. Let us assume so. However, why is a joint enterprise being created on the basis of these outlays with a charter capital of $40 million, which it is planned to increase within as many as five years to $270 million by virtue of the Americans buying out the work already done by the Soviet side? After all, the $150 million which the Americans will contribute to the charter fund will be drawn by them from the profits of that same joint enterprise rather than from somewhere on the side. So what are we expected to give away 50 percent of the net profits, or $30 billion for—for 30 Americans to see to it that in the first five to seven years Soviet personnel work with more precision?

Incidentally, why only $30 billion? This is the statistic that results from a projection of world oil prices at $18 per barrel for the next 25 years. Personally, I have not seen such projections in either foreign or Soviet sources. However, as far as I know, the Soviet side has not approached a single one of the three Soviet organizations which know at least something about world oil prices (the Soyuzneftegazeksport, the VNIKI [expansion unknown] of the Ministry of Foreign Economic Relations, and the Institute of the International Economy and International Relations of the USSR Academy of Sciences)... To be sure, Chevron presented all possible

arguments regarding the low level of world oil prices. Ultimately, it will turn out to be correct—does common sense not compel us to make a provision in the terms of the contract to restrict windfall profits generated as a result of unpredictable oil price shocks? After all, a provision for one side being indemnified for losses in the case of unforeseen circumstances has been included... For now, it turns out that if world oil prices increase by a mere $2 a barrel over Chevron's projections, the profit margin of investments by the American side will increase to as much as 32 percent annually. What is going to happen if oil prices soar to between $40 and $50 per barrel, in keeping with a recent projection by the Department of Energy of the same United States? If we assume that world oil prices are only 1.5 times higher than in the Chevron projection, the company's net profits will be on the order of $60 billion. However, this is in 1991 dollars; in current dollars the amount may come to more than $100 billion for the previous version of prices.

The agreement signed by Gorbachev refers to the intention to reinvest profits generated by the joint enterprise into the production of "consumer" goods. However, after the agreement was signed, Union legislation was adopted according to which the enterprise has a complete right to dispose of the profits generated as it sees fit. In the immediate future, we will also have to adopt legislation which guarantees the repatriation of profits generated in the USSR in order to develop economic relations with the West on the whole. Under emerging conditions it is highly unlikely that Chevron will invest the main segment of profits into the economy of the USSR which is seized by instability. However, even if this happens, it is impossible to conceive of Chevron investing the dollars it owns at a rate of 1.8 when the rate at auctions is 1 to 30.

Finally, the main point. It is planned to export all oil produced by the joint enterprise. All oil means 36 million tons a year at peak levels of production—given that in 1989 and 1990 the production of oil in our country declined by 55 million tons, and this year alone it will fall by approximately as much. Meanwhile, in 1990 we exported a mere 100 million tons. Given that coal production is also declining, and that gas production is ceasing to increase, a shortage of refinery products relative to demand in our country has been growing in an altogether explosive manner. A lack of refinery products inflicts losses on the economy which exceed the cost of the refinery products in short supply by factors of hundreds and thousands. (This is known throughout the world, except in the USSR. It is precisely for this reason that oil consumers are prepared to pay any price for oil. This is why 20-fold changes in the level of world prices for oil became possible in the 1970's). A minimal level of oil consumption exists below which the situation in an economy becomes still worse, even in a country which is in desperate need of foreign exchange. At present we are very close to this level. It is no accident at all that projections have appeared according to which the USSR will turn into an oil importer as early as 1993. However, even if this does not happen, we still will not be able to sell abroad more than 40 to 50 million tons a year. This means that, in the event the Tengiz agreement is signed, almost all exported oil would be from "sovereign Kazakhstan." This means that oil producers from other regions will not receive any foreign-exchange allowances for exports... Do you think that they will work in this case?

However, this is not all either. At present, the maximum production level at Tengiz is planned to be 30 million tons a year. It is quite likely that life will, after all, force an increase in the level of production at Tengiz to between 70 and 80 million tons, given the rising shortage of oil for domestic consumption and export deliveries. In the opinion of specialists, this will not cause a drop in the overall volume of oil extracted. Accordingly, the already scandalously high profit margin of the joint enterprise for Chevron will become astronomical.

Some mid-level officials have formed opinions on the draft of the Tengiz joint enterprise which are similar to mine. They have tried to voice their opinions before the higher leadership. However, the answer has been uniform: Indeed, the draft certainly is not the best there is; but everything has gone too far, and at too high a political level, to have something changed substantially.

Finally, there is the last aspect which I would like to address—a more general aspect this time. This has to do with the correlation of political and economic considerations in making major economic decisions. It is very hard for me to imagine leaders of Western countries encouraging, to say nothing of obligating, the companies of their countries to sign, on the basis of political considerations, contracts which entail forsaking major profits in any industry. As far as the strategically important energy sector is concerned, in most cases the opposite rule applies here, that is, the policy of the government is largely formed under the influence of a powerful lobby of energy companies. This is precisely the case when what is good for Chevron is good for the U.S.A.—and also for someone in our country.

Agricultural

Grain, Feed Harvesting Progress Reported

PM1107200591 Moscow SELSKAYA ZHIZN in Russian 12 Jul 91 p 1

[USSR State Committee for Statistic report prepared by Yu. Zhivilin, chief of the Agricultural Statistics Department, under the rubric "Harvest-91: Concerns and Alarms": "Three-Tenths of a Combine"]

[Text] The height of summer is a very intensive time in the country's fields and meadows. The haymaking area is expanding and more and more regions are joining in the grain harvest. By 8 July, 6.6 million hectares of grain and pulse crops (excluding corn) had been harvested and 71

percent of that figure threshed. The freak weather conditions in many regions have considerably affected the formation of the harvest. In the majority of republics less grain had been produced per hectare than by this time last year.

By the beginning of the second week of July, agricultural enterprises had cut 32.1 million hectares of sown and natural grass. Some 23.7 million tonnes of hay, 32.5 million tonnes of haylage, and 1 million tonnes of grass meal had been procured. These figures are respectively 4, 8, and 26 percent less than for the corresponding period last year. The feed procurement figure is 2.94 quintals of feed units per standard head of cattle as against 3.1 quintals by this time last season.

But it not only the weather that is impeding the peasant. The large amount of unrepaired equipment considerably slowed down the organization of harvest work in the fields and meadows. By 1 July no more than 85 percent of grain combines were ready in those regions where the harvest is in progress while on farms in Russia the figure was no more than 75 percent and in Kazakhstan 79 percent. The situation with feed harvesting equipment is similar.

The position is hardly any different with the readiness of trucks and other agricultural equipment so necessary to the harvest now. The reasons are the same—the reduction in the production of spares and the short supply of components. Furthermore, in conditions of the transition to market relations the cost of repair work is rising considerably. Between January and May, for example, wholesale prices for spares for tractors, agricultural machines, and trucks doubled compared with last year.

There is another, no less alarming fact that needs to be noted: namely, that supplies of grain- and feed-harvesting equipment to agriculture have fallen noticeably. In the first half of the year compared with the same period last year the receipt of grain combines was down 14 percent, pickup balers were down 27 percent, and feed harvesting combines were down 16 percent. Comprehensive measures to save the harvest, as you can see, were not taken in good time. Now, at the height of the harvest, we have to pin our hopes more on the selfless toil of crop farmers and the native wit and experience of machine operators.

Rostov Oblast Harvest Threatened by Drought

LD0907225591 Moscow Russian Television Network in Russian 2000 GMT 9 Jul 91

[From the "Vesti" newscast]

[Text] A state of emergency has been declared in Rostov Oblast, one of Russia's principal granaries, with regard to harvesting bread-grain, fodder and vegetables. I will recall that the future of the harvest in southern Russia is causing special alarm now in view of the drought.

Army Truck Units Help With Russian Harvest

PM1107101291 Moscow KRASNAYA ZVEZDA in Russian 9 Jul 91 First Edition p 3

[Interview with Colonel V. Afanasyev, chief of the Military-Political Department of the USSR Defense Ministry Operations Group for the RSFSR, by TASS correspondent V. Chichev—date, place of interview not stated: "Servicemen Help Russia's Grain Growers"]

[Text] In accordance with the USSR Cabinet of Ministers resolution and the USSR defense minister's orders, truck battalions are arriving in the fields to help rural workers to gather in the harvest. Colonel V. Afanasyev, chief of the Military-Political Department of the USSR Defense Ministry Operations Group for the RSFSR [Russian Soviet Federated Socialist Republic], tells TASS correspondent V. Chichev about the problems involved in organizing the servicemen's work at their temporary stations:

[Afanasyev] On the territory of the Russian Federation, 60 battalions have been formed, with 30,000 trucks, equipped with everything necessary for field work. The operations group has direct control of them. Methodological instruction meetings have been held with officials of the truck battalions formed into operations groups for Russia's regions, and the necessary recommendations have been issued. Many battalions have begun work. Thus subunits from the Belorussian Military District are already working in the fields in Belgorod Oblast. In the period 10-15 July it is planned that the truck battalions will become involved in the harvesting everywhere.

Unfortunately, the preparation of the troop subunits for work at their new stations is in many cases complicated by the lack of conscripts drafted from the reserve, and problems also arise over billeting. At times the local soviet and economic leaders show a surprising lack of interest in rear and technical services for the truck subunits.

Thus the Tambov Oblast leadership, having asked the Armed Forces for truck battalions, then refused them, but is now asking for assistance again. Of course, such cases do not make it easy to improve the organization of the subunits' work, but make it difficult to manage them and lead to unjustified material losses.

Yet our common task is to harvest on time and without losses everything that the grain growers have grown as a result of their difficult work.

Agricultural Developments for 4-10 July

LD1107023991

[Editorial Report] The following is a compilation of reports on agricultural developments in the USSR from 4 to 10 July. Source and GMT time of broadcast are given in parentheses at the end of each item.

4 July

Toward the evening of 3 July an active front of precipitation passed over Rovno oblast in a wide streak. It also repeated at night. The wall of pouring rain with hail caused enormous damage to agricultural crops. According to preliminary information, the natural force caused losses of tens of thousands of hectares of grains. It turns out that numerous plantations of sugar beets were washed out, flax fell, and pastures and harvested hay were found under water. The scale of disaster is especially large in the Northern and Polisya regions [between the Bug and Desna rivers]. The commissions for studying the consequences of the natural force will give a complete picture of what happened. (Kiev Radio Kiev Network in Ukrainian, 1900)

The Cherkassy oblast soviet instructed its executive branches to organize all able-bodied citizens, including students and school pupils, to be available during the harvest period. This unpopular measure was forced upon the soviet by the elements. Frequent and prolonged rains in the oblast have washed away or turned into mud large areas of vegetables, fruits, and other plants, and has flattened grain crops. (Kiev Radio Kiev International Service in Ukrainian, 2200)

6 July

Temperatures at the Kommunisticheskiy Mayak collective farm in eastern Stavropolye have not fallen below 40 degrees Centigrade for a week. Even in the shade it has been above 40. The grain has dried out. Even so, just like last year, farmers in Stavropolye are expected to sell the state 1.81 million tonnes of grain this year. This is the state order, a tough and mandatory target. (Moscow Central Television Vostok Program and Orbita Network in Russian, 1530)

Five southern rayons in Kazakhstan are harvesting cereals in very difficult conditions caused by several months of intense heat. Crops have been damaged by drought and harvesting is slow. Only up to 50,000 hectares of barley and wheat are being threshed daily, little more than half the norm. There are problems, too, with fuel, lubricants, and spare parts. Nonetheless, in several rayons the first grain has reached the elevators. (Moscow All-Union Radio First Progam Radio-1 Network in Russian, 1600)

Farmers in the south of the country have their work cut out for them at the moment. An unprecedented heat wave is continuing into a third week in the Tauris steppes. Early grain crops have ripened at the same time over almost all Zaporozhye oblast. Over 4,500 reapers and about 5,000 combines began work there today. The grain harvest has begun in Stavropolye, Rostov oblast, and the lower Volga valley. (Moscow Central Television First Program Network in Russian, 1800)

7 July

The Gomel oblast soviet of people's deputies has addressed all the inhabitants of the towns and the rayon centers with an appeal to give practical aid to the countryside in the procurement of forage and gathering the harvest. In connection with the Chernobyl catastrophe, the appeal says, 222,000 hectares have been taken out of the agricultural turnover and 29 collective and soviet farms have been totally liquidated. A great number of agricultural specialists have left the oblast, machine operators and cattle breeders. The countryside is in bad need of machines and spare parts. Livestock is being reduced in all rayons because of the need for cattle breeders. (Minsk Radio Minsk Network in Belorussian, 0300)

8 July

Correspondent Valeriy Kuts reports from Stavropol on measures needed to ensure the best possible harvest. It is not just a matter of cutting and milling wheat efficiently, he states. It is particularly important that ploughing be undertaken as quickly as possible. He then goes on to speak about the grain yield in the central and eastern rayons of Stavropol: Alas, there is a drought. The yield there was halved within 10 days, on average from 40 to 20 quintals a hectare. However, the control gross figure for the 1991 harvest remains unchanged, 5.5 million tonnes. (Moscow Radio Rossii Network in Russian, 1100)

All farms in the North Caucasus are now harvesting grain. The Volga area and the Central Black Soil Zone have also embarked on harvesting crops. Grain crops have been cut on about 1.3 million hectares in all across Russia. And over one million hectares have been threshed. Ivan Gridasov, an russian soviet federated socialist republic Agriculture Ministry official, says that by today the harvest of grain crops per hectare is 10 quintals down on last year. Up to 100 million tonnes of the crops have been grown this year, 10 to 15 percent down from last year. (Moscow All-Union Radio Mayak Network in Russian, 1200)

Harvest in the south of the republic is already in full swing. Farms of the Crimean peninsula have sold to the state by now 100,000 tons of wheat. (Kiev Radio Kiev International Service in Ukrainian, 1900)

9 July

Vladimir Obraztsov reports from the Kuban, saying harvesting has now taken place over an area of more than 400,000 hectares. The first one million tonnes of grain have been threshed. The average yield is about 43 quintals/hectare. In some areas, it rises to over 50 quintals/hectare.

This year's harvest is a good one in Rostov oblast and in the Stavropolye, but the transporting of grain to the elevators is behind schedule due to a shortage of motor

vehicles. They have failed to arrive from neighboring Daghestan, Checheno-Ingushetia, North Ossetia, and Karachayevo-Cherkessia.

The Voronezh area has been hit by a prolonged drought. The air temperature has been as high as 41 degreees Centigrade, reducing the prospects of a good harvest. THe original estimate of 24 quintals/hectare has now fallen to 18-12 quintals/hectare. Some 2,000 combine harvesters are standing idle because of a lack of spare parts, as are over 5,000 wheeled tractors owing to an acute shortage of batteries and oil.

In Tula oblast, farmers are threatening to suspend supplies of meat and milk to the canteens of industrial enterprises, organizations, and institutions if help from them does not arrive before 12 July. One combine harvester in six is not operational. There is a catastrophic shortage of machine operators and there is no one to thresh the grain or cut the hay. Fuel and spares are also in short supply. The actual harvest is as good as last year's. (Moscow All-Union Radio First Program Radio-1 Network in russian, 1600)

10 July

An alarming situation in hay mowing and the procurement of forage for cattle has formed in the republic. By 1 July, only 55 percent of the area under hay has been mown and 24 percent less forage has been procured compared to last year's level. This data was given in the resolution of the Belorussian soviet socialist republic Council of Ministers on providing immediate help to collective and state farms of the republic in hay mowing and procurement of forage this year. The agricultural workers must get help from towns and industrial and other enterprises, organizations, and establishments. The Council of Ministers decided in three day's time to send people and technical resources to help collective and state farms on "the green stubble," to ensure coordination of work, to set up catering for people, and to create for them appropriate cultural and housing conditions. Only such concrete help, arranged by ministries, departments, and local soviets, will make it possible to improve the situation and to prevent a drop in stock-raising production. (Minsk Radio Minsk Network in Belorussian, 0300)

Scientific

Cosmos-2153 Satellite Launched 10 Jul

LD1107131491 Moscow TASS International Service in Russian 1300 GMT 11 Jul 91

[Text] Moscow, 11 Jul (TASS)—Another artificial earth satellite, "Cosmos-2153," was launched in the Soviet Union on Wednesday from the "Soyuz" rocket launcher.

The satellite carries scientific apparatus for continuing space research.

The satellite has been placed in a orbit with the following parameters: initial period of revolution - 89 mins; apogee - 292km; perigee - 192km; orbital inclination - 64.9 deg.

As well as scientific apparatus, the satellite carries a radio system for the precise measurement of orbital elements and a radiotelemetry system for transmitting to earth data about the work of the instruments and scientific apparatus.

Developmental Work on 'Space Plane' in Progress

LD0407203991 Moscow Radio Moscow World Service in English 1200 GMT 4 Jul 91

[Text] Work has started in the Soviet Union to develop a space plane of the 21st century. Taking off from an ordinary air field,it will insure regular supplies for orbiting stations. This flying machine must be extremely lightweight, durable and resistant to very high temperatures of about 2,000 degrees Celsius. It will use liquid hydrogen as a fuel.

Since the development of a space plane will require large funds, an open discussion of the program is expected in the Soviet national parliament.

Briefing on Forthcoming 'Mir' Experiment

LD1007213991

[Editorial report] Moscow Central Television First Program Network in Russian, in its "Vremya" newscast at 1800 GMT on 10 July, carries a 2-minute video report by correspondent A. Gerasimov on a news briefing at the flight control center near Moscow today regarding an experiement to be conducted soon aboard the Mir space station.

Gerasimov begins his report by showing computer graphics of the planned American "Freedom" space station. The components of the station are to be assembled in space. He then shows a blueprint and a model of an existing Soviet girder assembly that can be used to build things in space and which will be attached to the Mir station this month. The blueprint is headed "SOFORA experiment". Gerasimov manipulates a number of tubular metal structures with attachments that slot into place. A 14-meter girder will be assembled by cosmonauts Krikalev and Artsebarskiy according to a unique design. The components are attached to one another by "elegant" couplings or sleeves [muftami] "made of materials with a memory effect". The operation will require four spacewalks to assemble and mount this "space wing". The video shows a lengthy girder assembly being manipulated by a cosmonaut or by someone in a weightlessness flight simulator.

Next shown on screen is a box-like structure consisting of rows of tubes with nozzles which is described as "Sofora", an "orbiting electronic fitting complex". Sofora's next task is to act as a support bar [Shtanga] for an additional steering motor for the space station. An extravehicular activity is to take place on 15 July. It is

hoped that, once tested, this assembly technology can be used to earn money by assembling other nations' space projects in orbit, including those of the United States. The video shows other parts of the equipment.

Protest Not To Derail Hydroelectric Station

LD1007110591 Moscow Radio Moscow World Service in English 0800 GMT 10 Jul 91

[Text] Despite public pressure, the Soviet power industry ministry does not give up an idea to build a super-powerful hydroelectric station at Turukhansk in northern Siberia, although the minister of the industry, Yuriy Semenov, has declared that the start of the project has been put off till the year 2000. The design work continues, reportedly.

The power giant of 20,000 megawatts is to be build in a mountain canyon. Its water reservoir will spread for hundreds of kilometers. Scientists believe that this would amount not only to an ecological disaster but also to an ethnic one [as heard].

Control Center Now Military-Industrial Exchange

PM1007135391 Moscow IZVESTIYA in Russian 5 Jul 91 Union Edition p 2

[Report by B. Konovalov: "Cosmonautics' Second Profession. Military-Industrial Exchange Set Up At Flight Control Center"]

[Text] The future market is changing many established notions. The Flight Control Center in Kaliningrad, Moscow Oblast, has always been a venue for secret communications with cosmonauts, interplanetary stations, and automatic satellites. Now what you might call an entirely alien structure—a defense industry sectors' exchange— has been set up there.

It is situated in the new building that was especially constructed for the start of the "Buran" Soviet space shuttle flights. The building is rich in marble and is crammed with the most modern information hardware, but it has so far operated with only one Buran spacecraft, which made a three-hour flight around the planet. Things are no better with the other vehicles the building was constructed to control—it can handle seven objects in space at one time. Soviet cosmonautics is currently faced with a real threat rather than a specter of unemployment and a painful cut in the staff of highly skilled specialists, who only recently were considered the pride of the Soviet Union.

"In these conditions," Professor V.M. Surikov, first deputy director of the Central Scientific Research Institute of Machine Building, of which the Flight Control Center is part, told journalists, "we have decided to actively prepare for a market setup. The lease payment for premises for the exchange alone would constitute a substantial part of the institute's budget. Moreover, it means hundreds of highly paid jobs for our specialists, who have vast experience of swift processing of enormous volumes of information, the hardware for the job, and reliable communications. It is a natural and very rational conversion route for the Flight Control Center, which has one of the most powerful information and communications system in the USSR today."

Exchanges have lost their novelty value—we already have more than 100 in the country—but a military-industrial exchange will be special, with a secret department which will collect information on enterprises coming under the heading of state secrets, which they are not allowed to give to conventional exchanges. Private deals concerning weapons could also be struck. Only defense industry enterprises can be exchange shareholders. Incidentally, the first batch of shares, each costing 300,000 rubles [R] is already sold out. But the auctions will be open to all enterprises, although they will be more computerized than at conventional exchanges.

Defense enterprises are scattered all over the country, so you might think they might encounter problems communicating with their exchange. But here too a solution has been found. There are several dozen departmental communication systems, private and open, in the USSR, planned to handle peak loads. But such loads occur extremely rarely, so the reserve capacities can be leased out. A "Space Communications" joint-stock company has already been organized for this purpose.

"Our organization was set up on the initiative of the Russian Commodity and Raw Material Exchange and the Central Scientific Research Institute of Machine Building," we were told by S.P. Petrov, chief manager of the Military-Industrial Exchange. (He is already well-known in the country's exchanges—cochairman of the Russian Commodity and Raw Material Exchange and vice president of the country's Exchanges Congress). "A specialized insurance company and a network of banks for credits are currently being organized. Credit and insurance will be provided for all deals on the basis of open and private information on enterprises. Moreover, the exchange will be able to organize the competitive allocation of military orders."

Note also that the new exchange will not only be a communication center for all defense enterprises, but will link up all the exchanges in the country. In the future, communications will be set up with world exchanges. The Exchanges Congress headquarters is being organized in Kaliningrad, Moscow Oblast.

...As we were leaving the press conference, a plan of the Military-Industrial Exchange appeared on the central screen in the "Buran" control room. On the two side screens there were spacecraft. No one knows as yet when "Buran" is going to start regular flights, but the exchange is already operating.

Military

Yazov at Conference on Servicemen's Rights

PM1107081991 Moscow IZVESTIYA in Russian 5 Jul 91 Union Edition p 2

[Report by A. Khrabtovich: "Commission Visits Forces"]

[Text] There was a joint session of the commission to check causes of death of servicemen and military construction personnel and to protect their legitimate rights and interests, set up under the Russian president, the All-Union Council of Servicemen's Parents, and the leadership of the USSR Armed Forces, headed by Marshal of the Soviet Union D. Yazov, USSR minister of defense.

General measures were elaborated at the conference on the continuation of the work being done by the USSR president's commission to check the objectivity of the examination of causes of servicemen's deaths. The first groups of members of the Russian commission have visited the forces.

Their aim is to study the actual state of affairs in units stationed on the territory of the RSFSR [Russian Soviet Federated Socialist Republic], elaborate proposals on the elimination of shortcomings they identify, strictly monitor the implementation of this work and the implementation of Russian government decisions and resolutions, and adopt measures to provide full legal protection for troops and members of their families. The commission is headed by RSFSR People's Deputy A. Alekseyev.

"Despite the fact that the commission has started its work," he said, "its legal status and powers have not yet been ratified. By those very authorities that were also, in effect, blocking the implementation of the recommendations of the commission set up by USSR presidential decree."

For example, the USSR Prosecutor's Office reckons that a commission to protect servicemen's legitimate rights under the Russian president is not envisaged by the Constitution as a state and public organ. And there is no need to establish it. Matters of discipline and order in the Army and Navy should be dealt with by officials—commanders, political workers, prosecutors.

The Russian Supreme Soviet believes that only total glasnost and public control of the situation in the Army and Navy can help cure the ills afflicting our Armed Forces.

Party Committee Discusses Ideological Work

PM1007090791 Moscow KRASNYA ZVEZDA in Russian 5 Jul 91 First Edition p 1

[Correspondent G. Barnev report: "From All-Army Party Committee Bureau Sitting"]

[Text] A sitting of the All-Army Party Committee Bureau has been held. It discussed and adopted on the first reading, so to speak, the draft concept for ideological work by the USSR Armed Forces' CPSU Organization in conditions of perestroyka.

Submitting the draft, Lieutenant General M. Surkov, member of the CPSU Central Committee Politburo and secretary of the All-Army Party Committee, noted that the scientific forces of USSR Defense Ministry military educational establishments took part in and the intellectual potential of Moscow's sociologists and philosophers was activated in developing the draft. Party committees and Communists from departments at the Yu.A. Gagarin Air Force Academy, the V.I. Lenin Military Political Academy, the CPSU Central Committee Information and Political Center, and the Academy of Social Sciences provided considerable assistance. The debate entitled "Marxism Leninism and the Party's Contemporary Activity" involving leading scientists in the sphere of sociology, philosophy, and political science, which was held in June on the initiative of the All-Army Party Committee, played a significant role in determining priorities in ideological work.

The present ideological situation, the bureau noted, is characterized by a number of special features.

One: Overt ideological confrontation and ideological clashes in the country have become a real fact in public life. The center of gravity in the ideological struggle has shifted from the foreign to the domestic arena, including the Armed Forces.

Two: Ideological confrontation today is closely linked with political struggle—the struggle for power—and attempts to bar the CPSU from the political arena.

Three: Anticommunism in its most unbridled form of total denial and distortion of the history of the Soviet state and the CPSU has become the most important force countering socialist renewal.

Four: The Soviet Armed Forces today are being subjected to unprecedented attacks and embittered defamation with a view to causing their disintegration as the most important guarantor of stability in society and the integrity of the state. The public crisis in the country has reached the danger level beyond which destructive social upheaval in which the Army and Fleet may be involved is possible.

Five: The rapid momentum of events dictates the need for a rapid enterprising reaction at local level with consideration for the changing situation—that is only possible if you have your own well-gauged stance enabling you not to wait for orders and directives from above and thus avoid delay.

The concept has been formulated with an eye to these and other special features and positions. It singles out the following key problems: Perestroyka and the renewal of ideology; the essence of party organizations' ideological

work and its fundamental values; and the methodology, principles, main aims and areas of ideological work in contemporary conditions.

Colonel General A. Ovchinnikov, first deputy chief of the USSR Armed Forces Main Military-Political Directorate; party committee secretaries Rear Admiral N. Zelenin and Major Generals A. Morozov and N. Zarin; and others commented on the draft concept at the sitting.

The draft concept was adopted as a basis. After being examined at an assembly of party committee secretaries and finalized it will be submitted for discussion to Army and Navy party organizations and published in the military press.

To go on: The bureau instructed the All-Army Party Committee Ideological Department to organize information regarding the critical comments and suggestions to be collected and analyzed. Thus, those who so desire can now send in their suggestions by mail. The generalized material will be examined at a plenum of the All-Army Party Committee of the Armed Forces' CPSU Organization. It is to adopt the final decision on the draft concept for ideological work as a system that makes it possible to dialectically assess phenomena in public life and effectively influence the state of affairs in troop collectives.

It seems that party organizations are making full use of the discussion of this document to renew their ideological activity and enhance the activeness and ideological and political unity of Communists within the Army and Fleet.

KGB, Militia Capture 'Fugitive' Conscripts

OW1007235091 Moscow INTERFAX in English 0930 GMT 9 Jul 91

[Transmitted via KYODO]

[Text] On July 9 at four o'clock in the morning in the village of Berkakit (25 km from the town of Neryungri, Yakutya) an operation was launched in which two fugitive conscripts were captured. Both were accused on murder. Fifteen members of the militia and five KGB members took part in the operation.

The criminals put up desperate resistance. After fifteen minutes of firing, during which both were injured, the two young men were captured. According to some sources, one of the two died while being transported from the scene. According to IF's [INTERFAX'S] information, none of the militia or KGB workers were injured.

The two soldiers, Lbragimov and Litovtsev, killed eight and injured five of their fellow soldiers in the military section of the troops of the Soviet Interior Ministry, located in the Neryungri region of Yakutya. On July 6 at around midnight Lbragimov and Litovtsev attacked the head of the guard, stole his keys to the arms room and, having armed themselves with automatic weapons, proceeded to open fire on their fellow conscripts, who were watching television.

The motives for the crime are being investigated, although, according to IF's correspondent, bullying is thought to be among them. Both soldiers had only three months of service left. The investigations are being carried out by the military procurator.

Estonia

Pay Icreases To Compensate Price Hikes

PM1107120991 Moscow IZVESTIYA in Russian 5 Jul 91 Union Edition p 2

["Direct Line" report by Leonid Levitskiy: "Pay Chasing Prices"]

[Text] Tallinn—The pay of employees of state institutions and local self-governing bodies in Estonia doubled on 1 July.

Working people in education, culture, and the health service will get a similar raise in September and October. The increase in salaries will cost the treasury 250 million rubles [R].

This measure is due to the soaring price rises. Economically accountable enterprises are constantly increasing their workers' pay to keep up with prices. According to Minister of Public Affairs Arvo Kuddo, state enterprises are also spending the bulk of their income on increasing pay. The directors of, for example, the "Orto" and "Liviko" Associations and some others have monthly salaries of R3,000-3,500. The chief specialists get R1,500-2,000. Average pay in the republic in April was R618.

The increase in salaries on 1 July is understandable—state food prices have been abolished in the republic. Free prices will rise sharply given the general shortages and cuts in production. Unfortunately, as yet no compensation has been decided on for pensioners, people on low incomes, all those who are fully or partly supported by the state.

Prime Minister Edgar Savisaar expects this increase in pay to be the last. In the future there will have to be a cost of living index, and the basic living wage will be adjusted in accordance with it, together with pay, pensions, and benefits.

Delegation Returns From Siberia 10 July

OW1207021991 Moscow BALTFAX in English 0930 GMT 11 Jul 91

[Transmitted via KYODO]

[Text] On July 10 the Estonian governmental delegation headed by Prime Minister Edgar Savisaar returned to Estonia after a trip to Siberia and the Urals area. The last stop of its visit was the Sverdlovsk region where a number of official documents have been signed.

Mr. Savisaar and first deputy chairman of the regional executive committee Sergey Vozdvizhenskiy signed a communique "On the meeting of Estonian governmental delegation with leaders of the Sverdlovsk regional executive committee."

The participants in the meeting welcomed Boris Yeltsin's election as the Russian President and expressed support of democratic reforms, as well as neighbourly and mutually beneficial relations between the Russian Federation and Estonia.

Mr. Savisaar and deputy chairman of the regional executive committee Vasiliy Zadorozhniy signed an agreement on cultural cooperation and a trade accord for 1992 between Estonia and the Sverdlovsk region of the RSFSR.

During the meeting Chairman of the Regional executive committee accepted the invitation to visit Estonia.

After signing the documents, the Estonian delegation left for the town of Verkhoturiye near which a gulag cemetery with scores of Estonians buried there had been discovered.

Mr. Savisaar and representative of the "Memento" Association Aadu Ollem laid a wreath at the burial place. After that a mourning rally took place.

Thursday morning Mr. Savisaar and Mr. Zadorozhniy signed a protocol on setting up a joint working group to continue the search for other burial places of repressed Estonians and to perpetuate the memory about them.

Latvia

Godmanis Discusses Pricing Policy With Locals

LD1007115991 Riga Radio Riga Network in Latvian 1730 GMT 9 Jul 91

[Text] How the free prices of food products introduced in Estonia affect the supplies in border rayons, and how to protect one's own market were the principal questions which Prime Minister Ivars Godmanis asked during his (?visit) today in Valka.

What, then, is the present situation in the Valka Rayon? Beginning with the first day of raising the prices on the Estonian side, the Estonians, with the mediation of their acquaintances and relatives in Latvia, have quite considerably emptied the shelves of the food shops of Valka. In particular dairy products are being bought up. The Valka Rayon's government has already taken a desperate step by laying down rations of food products per head of inhabitant. However, this is no way out, and families with many children particularly suffer.

When meeting the inhabitants of Valka Rayon, Ivars Godmanis emphasized that one of the ways out of this situation is to introduce free pricing. We shall in the end arrive at that, he said, because the situation is unusual in that we pay less for a bottle of milk than for a bottle of lemonade.

In the Valka Rayon, too, when meeting the inhabitants, the same as in the Valmiera Rayon, the most complex questions were those concerning the land reform and

those concerning the questions of privatization. Unfortunately, questions were also heard concerning compensation, which quite considerably delayed the course of the land reform.

Concluding his meeting in Valka and Valmiera Rayons, Ivars Godmanis admitted that, unfortunately, there was little optimism, because there was neither any of this [word indistinct] in the talks with Moscow, nor was the present time reform proceeding easily for us right here in Latvia.

Lithuania

Government Statement on Provocations Cited

LD1207103191 Vilnius Radio Vilnius Network in Lithuanian 0900 GMT 12 Jul 91

[Text] The Lithuanian Government's press bureau is instructed to state that the government is in possession of information that servicemen of the Soviet Union's Armed Forces are organizing provocations and maybe even violence against the OMON [Special Purpose Militia Detachment] unit of the Soviet Union's Ministry of Internal Affairs stationed in Vilnius. The provocations may be carried out by Soviet servicemen wearing civilian clothes or even wearing the uniforms of officials of the country's defense department of the Republic of Lithuania or of police officials.

The Government of the Republic of Lithuania warns the misled people serving in that unit that they are in real danger and urge them again to think it over and leave the OMON. The government strictly dissociates itself from the provocations which are being organized against the OMON unit stationed in Vilnius and states that neither the country's defense department, nor the police, nor other institutions of the Republic of Lithuania have been ordered to liquidate the aforementioned unit.

The Government of the Republic of Lithuania expresses its gratitude to police officials who have been patrolling in Vilnius recently and who have not given in to provocations organized by the OMON and have thus avoided conflicts.

At today's press conference, Vytautas Landsbergis noted that the statement by the government press bureau about possible provocations against the OMON was made after obtaining certain information, although he himself does not have such information and he has not been consulted about this matter. Vytautas Landsbergis noted that reports about possible attacks of a demonstrative nature are coming in all the time, although they [word indistinct] without a pretext in order to maintain tension. We must be prepared for a greater attack because the events and processes in Europe and in the Soviet Union are developing favorably toward the consolidation of democratic forces and in view of the bankruptcy of old structures. Therefore, this may be dangerous as the last adventurist attempts to turn back the wheel of history, as they used to say, said Vytautas Landsbergis.

Economic Issues Discussed With Russian Leaders

LD1107163491 Vilnius Radio Vilnius Network in Lithuanian 0900 GMT 11 Jul 91

[Text] Gediminas Vagnorius, prime minister of the Republic of Lithuania, had a meeting in Moscow today with Ivan Silayev, chairman of the Council of Ministers of the Russian Federation. The government leaders discussed problems concerning economic cooperation between the two countries. Information was exchanged on the reforms taking place in the Republic of Lithuania and in the Russian Federation and on the ways and means to transition to market relations. The necessity was stressed of developing economic ties on a basis beneficial to both sides.

The meeting was attended by Oleg Lobov, first deputy chairman of the Council of Ministers of the Russian Federation, and Egidijus Bickauskas, permanent representative of the government of the Republic of Lithuania.

Immediately after the meeting my colleague Irate Valanciute spoke on the telephone to Egidijus Bickauskas:

[Begin recording] [Valanciute] I would like to ask about the meeting with Russian Premier Silayev and its results.

[Bickauskas] It is very good that the meeting itself took place. The two premiers got acquainted. It is true, one of them, Mr. Silayev, is preparing to tender his resignation with his government as required in the Constitution, but, according to available information, Mr. Yeltsin, the new Russian president, will entrust him with the formation of the government. Thus there will be no great changes.

The fact that the meeting took place is itself very good. Views were exchanged on the progress of the economic reform both in Russia and in Lithuania. Mr. Silayev described his struggle with the center. I would say it was a successful struggle. It seems that the center will gradually move to Russia. Thus we, too, should correspondingly coordinate our policy. Views were exchanged on the present economic situation both in Russia and in Lithuania and on the fulfillment of the economic agreement.

As you know, there have been claims by Russia about our price policy. Mr. Vagnorius explained what this was linked with. In brief, the meeting took place in a very benevolent and friendly atmosphere. It was agreed to continue such contacts.

[Valanciute] What about the signing of the Lithuanian-Russian treaty? We do not yet have such a treaty.

[Bickauskas] I think this problem should be coordinated not with Mr. Silayev, but with Mr. Yeltsin. Such a treaty will be signed.

[Valanciute] You mentioned President Boris Yeltsin. After his inauguration yesterday, have there been meetings useful to Lithuania?

[Bickauskas] There was a meeting in the Estonian mission with Mr. Ruutel, Mr. Gorbunovs, and other officials where views were exchanged on the current situation now that Mr. Yeltsin has assumed duties as Russia's president. Later, at the Republic of Lithuania's mission, esteemed Stankevicius, deputy chairman of the Supreme Council, and Prime Minister Vagnorious had dinner with Deputy Prime Minister of Russia Mr. Malyshev. They had a very useful conversation which lasted nearly two hours. It was useful in that it was possible during a frank conversation to explain many things in a simpler way.

There was a meeting with one of the diplomatic officials of the U.S. Embassy. This meeting also took place in the mission. And Mr. Stankevicius, as Lithuania's representative, attended a reception in the residence of the new Russian president, Yeltsin, on the occasion of the inauguration of his presidency. Many useful conversations took place there, too. [end recording]

Officials Meet Military Representatives

OW1207022791 Moscow BALTFAX in English 1500 GMT 11 Jul 91

[Transmitted via KYODO]

[Text] A meeting has been held in Vilnius between the Lithuanian Vice-Premier Z. Vaisvila and Procurator-General of Lithuania A. Paulauskas on the one hand, and representatives of the Soviet military Procurator's office in Vilnius S. Shuvagin and V. Kharitonov, recently appointed to their current positions.

The two sides have agreed the policy of the previous representatives of the Soviet Procurator-General and commanders of local troop units has contributed to abuse of power and rising crime. Former Soviet military commanders bluntly refused to recognize the legitimacy of Lithuania's legal institutions and ruled out any cooperation between the two sides.

Z. Vaisvila and A. Paulauskas expressed the hope that the recent meeting will help start upon the road of constructive cooperation.

The meeting focused around the current situation in the republic, mounting crime and the prospects of interaction between the offices of Prosecutor-General of Lithuania and that of the USSR.

Landsbergis Holds Discussion With EC's Santer

LD1007143191 Vilnius Radio Vilnius Network in Lithuanian 0900 GMT 10 Jul 91

[Report by Janina Mecelicaite from the "Parliament Studio"]

[Excerpt] [passage omitted] Yesterday morning Landsbergis's first meeting was with Jacques Santer, chairman of the Committee of Ministers of the European Parliament and prime minister of Luxemburg.

The chairman of the Lithuanian Supreme Council talked with Mr. Santer about the possibilities for cooperation with the European Parliament and other structures in a more specific way, possibly through a specially appointed representative.

Following this meeting V. Landsbergis held a press conference. About 150 media representatives took part in it. They were interested in the objectives of his visit as well as his point of view on the situation in Yugoslavia and the similarity of the situation to that in Lithuania.

The chairman of the Lithuanian parliament explained that here the threat is from the same communism. On the other hand, there are juridical differences: by declaring independence Slovenia is implementing the nation's right to self-determination. We did it in 1918. They want to get it, but what we want is to return to our former status, V. Landsbergis explained.

Interest was shown in the problem of negotiations and the broken dialogue between the Soviet Union and Lithuania.

Explaining the situation, V. Landsbergis pointed out that if the Western States would demand the start of such a dialogue then it would start. [passage omitted]

Landsbergis Receives Europarliament Delegation

LD1007122691 Vilnius Radio Vilnius International Service in Lithuanian 2130 GMT 8 Jul 91

[Excerpts] The chairman of the Lithuanian parliament, Vytautas Landsbergis, has left for France today. [passage omitted] On his way to Strasbourg, Vytautas Landsbergis stopped in Moscow, where he answered numerous questions at the press conference that was broadcast by the Russian television.

In the morning, before his departure for France, the head of the Lithuanian parliament received a delegation of Europarliament's faction of Christian Democrats. The political situation in Lithuania and state of relations between Vilnius and Moscow have been discussed at the meeting.

It was pointed out that Western states' support in the consolidation of Lithuania's independence could be firmer. The delegation has also been received by the Prime Minister Gedimanas Vagnorious.

At the press conference this evening, members of the delegation said that by their visit they wished to demonstrate democratic countries' solidarity with our drive for independence. They also pointed out that in their opinion Lithuania could achieve its independence only in the course of constructive talks with the Soviet Union.

Touching on economic problems, the chairman of Holland's Christian Democrats, Wim van Velzen, said that Lithuania's economy was closely connected with the Soviet Union and that it would be very difficult to gain economic independence at once. It is necessary to realize that the Communist system in Lithuania is still very viable and it will be very hard to overcome it, said Mr. Wim van Velzen.

Prime Minister Proposes Ministerial Candidates

LD1007101591 Vilnius Radio Vilnius Network in Lithuanian 1900 GMT 9 Jul 91

[Text] Prime Minister Gediminas Vagnorius, speaking at the Supreme Council Session, presented candidates for the posts of deputy prime minister and minister.

The prime minister proposed that the minister of social security, Algis Dobravolskas, concurrently carry out deputy prime ministerial duties. Currently, the government must adopt many decisions which cause fundamental changes in our life. Social questions are also characteristic of other ministries and, therefore, a deputy prime minister would concern himself with those questions.

The prime minister called attention to the fact that confrontation is becoming stronger within society. Sometimes, thoughts are being foisted upon people that are as alien to the Supreme Council as to the government. Debatable questions must be separated from real problems. This could be served by one more addition to the government, of a minister without portfolio. One of them would be concerned with the regulation of internal relations, while the other one would be concerned with ties with Lithuanian emigres.

The prime minister proposed that these problems (?be dealt with) by deputy chairman [words indistinct] Gediminas Kirkilas and by Rimantas Smetona, chairman of the Nationalist Party.

The prime minister also reported that in seeking to improve internal understanding and harmony, the government has adopted a resolution to establish three government councils: for national harmony and culture, for economy and social reform and for combatting organized crime and for public safety.

Replying to a question about the appointment of a minister of internal affairs, Gediminas Vagnorius emphasized the great responsibility entrusted to the police to guarantee law and order. It is imperative to create the sort of conditions for the police that preclude its use for political objectives. Therefore, the prime minister proposed that the post of the minister of internal affairs be temporarily entrusted to him.

Vilnius Garrison Deputy Chief on Army Role

PM1110093091 Moscow KRASNAYA ZVEZDA in Russian 9 Jul 91 First Edition p 2

[Interview with Colonel V. Smokarev, Vilnius Garrison deputy chief for military-political work, by correspondent Captain 2d Rank V. Gromak under the rubric "Military-Political Organs: Work Experience"—date of interview not stated: "Under Conditions of Acute Confrontation"]

[Text] Vilnius... I love this city. Its clean streets, its shady parks, its imposing churches, their spires piercing the sky and seeming to conduct, up there on high, a quiet conversation with God himself about the eternal and the calm.

But now subjects of a different kind more often impinge on the eye in this city. A barricade outside the Supreme Soviet building.... Gloomy concern on the citizens' faces.... Malice against the army welling up in the republic press....

Subjects of dissension and unease. What has happened to you, Vilnius? Who has unleashed hatred and suspicion on your streets and poisoned the inhabitants' hearts with distrust toward people in military uniform? Why have you, who so honored courage and loyalty to duty, suddenly started spitting bile at the very words "Soviet soldier," finding no other definition for him than occupier?

"Confrontation"—thus, in one word, Colonel V. Smokarev, Vilnius Garrison deputy chief for military-political work, defined the situation.

A short answer is not necessarily the clearest. Confrontation—between whom? How did it arise? How is it maintained? Questions, questions.... And so our talk went.

[Gromak] Viktor Vladimirovich, you have served in the Baltics for a long time. How do you explain the drastic growth in anti-army feelings? Have the military been behaving arrogantly toward the population, have they isolated themselves and sought to emphasize the exclusivity of their position?

[Smokarev] What are you talking about? In all my time here, I cannot remember anything of that kind. The military garrison has always been friends with the city. The labor collectives and troops used to meet and help each other. The local authorities supported us, and we did not remain aloof from their problems.

I could quote hundreds of examples of cooperation. Remember, for instance, the accident at the Jonava nitrogen combine. Who rushed to help? We did, we soldiers. Help was needed in agricultural operations, again the military men rolled up their sleeves. There were close links in the sphere of culture.

So we lived and worked in harmony. And it took considerable efforts to cast aspersions on our relationship.

[Gromak] But all the same, how did the pretext for confrontation arise? Because there must have been some "catch."

[Smokarev] There is always a "catch," as you put it. For all states and peoples the history of relationships always has the most diverse colors. Both bright and dark. The Molotov-Ribbentrop pact served as the formal basis for attacks on the army. The "Sajudis" leaders, tendentiously interpreting the events of 1939-1941, in effect branded us occupiers from the very first steps of their movement's existence. But I repeat, this is only a pretext. Had none been available in recent history, the Sajudists would have gone back to more distant times. Say, the age of Alexander Nevskiy.

At first they were operating under the banner of perestroyka. But when they came to power 11 March 1990, anti-army hysteria was elevated to the rank of republic government policy. Suffice it to say that in just over a year more than 50 legislative acts have been adopted in the republic that flout to some degree the rights of servicemen and their families. We have basically been deprived of electoral rights and the right to housing and residence permits, which means medical services and trade supplies, too.

There are cases that are totally unacceptable. For instance, a child was born to Major V. Golda. The authorities behaved so offensively that it was nearly six months before the parents could register the new baby.

[Gromak] I had always heard that Lithuanians were noted for their common sense. Do such actions not prompt protests from the population?

[Smokarev] Indeed they do. In the summer of 1990, for instance, a large group of the creative intelligentsia openly expressed, through the press, their dissatisfaction with the work of the parliament and government. By the end of the year this dissatisfaction had reached its peak and threatened to sweep away the republic's supreme power. It took the bloody events of January 1991 to divert the people's wrath.

[Gromak] So in your view the January events were provoked by the Sajudists?

[Smokarev] Precisely. It's the oldest trick in the book. Incidentally, Landsbergis and his team have used it repeatedly.

[Gromak] If it is all as obvious as you say, why—and this impression persists—are people still behind "Sajudis?"

[Smokarev] I am not a political scientist, and I don't go in for social psychology. I have my own explanations. There is a popular saying that goodness has to be taught, but evil spreads quickly of its own accord. Hatred is more effective than any virus.

But there are also a good many signs of recovery from the fascist plague. Take the two military parades held on the October and May holidays. Never before, even in the good old days, had Vilnius seen such a multitude of people in its squares and streets. This is all the more remarkable in that these holidays have been abolished in the republic. So the people took to the streets against the authorities' will. Or take the case of the monument to Army General Chernyakhovskiy. Remember the city authorities' disgraceful resolution on dismantling the monument, and how the people rose up to defend it.

[Gromak] Obviously the question I intend to ask you will be to some extent self-evident. It is true that on the one hand there is intoxication with democracy, freedom, and sovereignty. And on the other, unscrupulous flirting with the people on the part of the leadership, playing with national feelings. All this has, I am sure, led many thousands of people astray. But it is traditional for army political workers to go to the people and explain what is bad and what is good. What is being done by the military-political organs in this respect, is there any experience of work with the population?

[Smokarev] An understandable question. Let me put it like this: At first we were rather passive. We thought the dust of perestroyka would settle. That the unconstitutional decisions would be repealed. But it did not happen. Then we started organizing explanatory work. It was hard, but it got under way. Since the vast majority of the mass media turned out to be under "Sajudis" control, we put the emphasis on oral propaganda. Open days in the garrisons, telephone hot lines, debates—these and other forms of active work have proved extremely valuable in difficult times. Nor do we shun the holding of rallies. Of course, we are not used to seeing servicemen carrying banners and placards, but the times have resurrected this form of protest and of rallying the masses.

We work constructively with those sociopolitical organizations that advocate the unity of the Union and its Armed Forces. This means primarily the Communist Party of Lithuania, the Committee of USSR Citizens in Lithuania, the International Movement, the Councils of Veterans and the Lithuanian Komsomol [Communist Youth League].

For the military-patriotic education of young people, we make active use of the units' museums and Combat Glory rooms, where the true story of the Lithuanian people's struggle against fascism and our army's combat operations to liberate the Baltic region is reflected.

The organization of these and other measures requires certain organizational work. Life itself suggests the need for a body to coordinate the activity of units and institutions of the garrison. The Council of Chiefs of Military-Political Organs of Units and Institutions of the garrison has become that body.

[Gromak] After the January events leaflets started to appear in the barracks calling on soldiers to desert, to refuse to fulfill their commanding officers' orders....

[Smokarev] Yes, there have been such leaflets, but you have to remember this, too: Military units have received and are still receiving hundreds of letters and telegrams in support of servicemen and their families. The geography of the return addresses is broad. From Kaliningrad Oblast to the Far East. Once again the servicemen have felt people's ardent support. These letters are the best form of counterpropaganda. Or take this example: During those days many inhabitants, on their own initiative, collected food and cigarettes at their apartment blocks and brought them to the camp for the soldiers. They presented them with expressions of gratitude for their presence in Lithuania, for their courage and staunchness in the conditions of frenzied persecution by nationalists. And quite naturally the appeals of those who are conducting an anti-army campaign proved futile. No serviceman has yielded to the provocation. We are continuing honorably to fulfill our military duty.

[Gromak] All the same, I think you do have problems and difficulties in organizing political work.

[Smokarev] Yes, that is true. Life suggests the need to redistribute the duties of various officials and boost propaganda work by providing technical facilities, especially audiovisual equipment and duplicating equipment for the garrison's units. The institution of the post of officer for liaison with sociopolitical organizations and movements on the staff of the garrison's military commandant is long overdue.

The anti-army campaign is fanned and pursued not by dilettantes, but by well-trained professionals....

Therefore we would like to see and feel the support of military scientists from the USSR Defense Ministry Institute of Military History and the military academies more frequently, actually on the spot. The time for reflection is past. Concrete steps are needed. Only then will we be able to demonstrate that our ideas are right. That is indeed the only path to the victory of reason. I believe that an end will be put to the confrontation that has taken shape in the republic.

Democratic Party of Labor Program Outlined

LD1007185591 Moscow TASS International Service in Russian 1230 GMT 10 Jul 91

[Text] Vilnius, 10 July (TASS)—TASS correspondent Serafim Bykhom: An analysis of the economic and political situation in the [Lithuanian] republic, and proposals for constitutional and legal reform and for restoring normal relations with the USSR are contained in the document "Landmarks for Strengthening Statehood," which was adopted at a session that took place here of the council of the Democratic Party of Labor of Lithuania (the former independent Communist Party of Lithuania). The document proposes refraining from political extremism, from ideological and national prejudice, and a review of all laws in order to avoid violating rights of national minorities living in the republic in matters of citizenship, language, and social guarantees.

As the document notes further, "stepping up contacts between the government and representatives of national minorities is one of the most important guarantees for mutual trust."

Speakers at the council noted that the document could serve as a basis for working out an all-embracing program to create an independent and democratic Lithuania. Substantiating the significance of such a program, Algirdas Brazauskas, chairman of the Democratic Party of Labor, stressed that it "must take into consideration the interests of all strata of the population in Lithuania and contain principles for constitutional and legal reform. It is impossible to build an independent democratic state by means of only declarative statements and by waiting for a 'miracle,' be it the collapse of the USSR or help from the West."

Communists Reject Democratic Reform Movement

LD1007214991 Moscow TASS in English 2120 GMT 10 Jul 91

[By TASS correspondent Serafim Bykhun]

[Text] Vilnius July 10 TASS—A plenary meeting of the Central Committee of the Lithuanian Communist Party held here adopted the statement on "the attitude to 'the Movement for Democratic Reforms'" established by several former leaders of the Soviet Communist Party and the Soviet state.

The statement reads: "The plenary meeting of the Central Committee of the Lithuanian Communist Party believes that the address of the organizers of 'the Movement for Democratic Reforms' is based on illusory understanding of realities".

Claims "to save the country" are mainly of a declaratory nature. In the opinion of the plenary meeting, the address does not offer any specific action to pull the country out of the crisis.

The statement says that the past few years show that "pseudo-democratic slogans by Sajudis helped revive nationalism in Lithuania. Anti-Soviet separatist forces came to power in the Republic, and human rights are being crudely violated. The bourgeois system is being restored".

The statement notes that the plenum cannot support the organizers of the new movement due to the fact that some of them do not deserve people's trust, often change their political position depending on the situation, and even resort to anti-communist attacks.

Human Rights White Paper Previewed

PM1107120191 Moscow PRAVDA in Russian 5 Jul 91 Second Edition p 6

[Correspondent Yu. Stroganov report: "Alarming Evidence. 'White Paper' on Human Rights Published in Lithuania"]

[Text] Vilnius—I saw young guys waving their hands in greeting. This is a rally in Vilnius today. I read a complaint from a veteran who was beaten up by unknown Persons after a different kind of rally. I watched Russian tourists trying to read signs in Lithuanian. The Russian translations that had been here until recently have been removed. I heard the words of Yu. Pozhely, president of the Lithuanian Academy of Sciences: "Today's situation in Lithuania is reminiscent of 1926, when a coup took place and the democratic government was overthrown...."

Or rather, I did not hear them, I saw them. All of the above is published in "Lithuania: Human Rights. A White Paper." Although I did see a few things first hand in the streets. Yu. Pozhely's words are taken from an interview with INTERFAX, broadcast in Lithuanian by the "Mayak" Radio Station 25 October 1990.

The paper has not yet been published, it is still in manuscript form and was sent to press a few days ago. Nonetheless, I am not its first reader. Several typewritten copies have been made public. They have been sent to the USSR Supreme Soviet and the participants in the Berlin meeting of the CSCE foreign ministers. A working version of the paper was presented to B. Vogel, leader of the European Democrat Union delegation.

And although the paper so far exists in just a few typewritten copies, the authors have already been accused of bias. Admittedly, by those—I am quite sure—who have not yet read it. It is simply unacceptable to some people in advance. Some of its contents may strike some readers not as a violation of human rights, but as a triumph for justice and democracy. But people themselves should read it and make their own assessments both of the paper and of the processes taking place in Lithuania. The future publication contains virtually nothing but copies of documents and laws issued by the Lithuanian Republic, an analysis of their conformity with international acts on human rights and Union legislation, photographs, and articles from newspapers—including "independent" newspapers.

Opponents sometimes say: Why whip up feelings? People are working, bringing up their children, falling in love, and taking risks—that means everything is normal. But we cannot close our eyes to the abundance of cases of petty nationalism, which some people would like to present as isolated incidents. You constantly hear shouts along the lines of "Ivan, Go Home!" or "Lithuania for the Lithuanians, Russia for the Russians."

...We would like peace and harmony so much, we are so fed up with confrontation. "Roundtables" and a calm dialogue based on reason are the only way out of the situation. However, the policy of confrontation and nonrecognition of USSR laws and existing realities—which even the leaders of the opposition Forum for the Future of Lithuania [FFL] have been talking about, incidentally—is leading, judging by the facts collected in the paper, to a highly dangerous confrontation with the military.

Unfortunately, the maelstrom of confrontation is expanding. The "White Paper" provides evidence of many sober-minded people taking a stand against the policy pursued by the republic's parliament. The newspaper RESPUBLIKA—which cannot be accused of any love for Communists—is one example. Here is an extract from the article "Patriotic Terrorism," which was published in one of its June issues. It speaks of right-wing radicals pressuring politicians who are seeking a way toward real independence: "Members of the FFL Coalition Council—B. Genzyalis, K. Stoshkus, and A. Bendinskas—have come under attack in Kaunas. All the methods used in the past have been used this time, too. There was an attempt at night to blow up the 'Shilyalis' Cultural Center—where the aforesaid individuals were to have taken part in the constituent conference of the FFL and the rayon [as published]. It did not go ahead, but not because of the explosion. Around 50 rampaging hoodlums attacked the guests, threw eggs at them, threatened them, and did not let them into the auditorium. The noise and threats from these 'patriots' forced the almost 500 conference participants to disperse.

"The world may find the accusations of terrorism leveled against the Soviet Union absurd," journalist E. Telksn.s concludes. "It will finally be able to state that it is just fighting fascist thugs."

Facts can be interpreted and looked at in different ways depending on your convictions, views, political sympathies, or education. But they cannot be denied.

People's Congress Continues Work 12 July

Constitution Court Law Endorsed

LD1207104691 Moscow TASS in English 1022 GMT 12 Jul 91

[By TASS parliamentary correspondent Andrey Surzhanskiy]

[Text] Moscow July 12 TASS—A law of the Russian Federation on the Constitutional Court was endorsed today at the morning session of the Fifth Extraordinary Congress of Russia's People's Deputies, which has been in session in the Kremlin for the third day.

The parliament-adopted law had not been approved at the previous congress due to a large number of amendments (about 200) made by deputies.

The opinion of Sergey Shakhray, one of the sponsors of the bill, and chairman of the Parliamentrary Committee on Legislation, is that "the main function of the Constitutional Court is provide a counterbalance to the undivided presidential authority or to unconstitutional activities of the Parliament itself".

The Constitutional Court, Shakhray told TASS, has the right to recognise as unconstitutional any law adopted by the Parliament, after which a law in question becomes invalid.

Yet another function of the Constitutional Court, Shakhray believes, is the possibility to reverse the Russian president's decrees or remove him from power by a decision of the Republican Parliament on the strength of the Constitutional Court's opinion.

Shakhray emphasised that the law on the Constitutional Court lays down mechanisms that enable each member of the Constitutional Court to be independent: the election for life, an independent financial positon and legal guarantees of his immunity.

11 Jul Congress of People's Deputies Proceedings

LD1107201191

[Editorial Report] Moscow Russian Television Network in Russian at 1840 GMT on 11 July begins carrying an edition of its "At the Russian Soviet Federated Socialist Republic [RSFSR] Congress of People's Deputies" program featuring recorded highlights of the RSFSR Congress of People's Deputies session in the Kremlin, Moscow, on 11 July.

Chairman Isakov says that candidates for chairmanship of the RSFSR Supreme Soviet will each speak in alphabetical order. After some brief interventions, the first candidate comes to the rostrum.

At 1844 GMT Nikolay Arzhannikov says that both politics and the economy have reached a "pre-coronary condition" and that the chairman of the Supreme Soviet cannot be any party's placeman. The chairman is no more than a parliamentary speaker, and he must keep his opinions to himself. Others will be doing the arguing. If elected, he says, he will never submit to anyone's will unless it is also the will of the Supreme soviet. He says he realizes that many of the votes have already been accounted for, but there is also a significant independent and non-aligned lobby. You will not be voting for Arzhannikov but for the post of chairman, he says.

Replying to questions, Arzhannikov says he is a candidate of historical sciences and lawyer. He is deputy chairman of a human rights committee.

At 1856 GMT Sergey Baburin, the second candidate, says that it has been said that Russia has one effective defense against bad laws—their bad implementation. The intellectual potential of the congress and Supreme Soviet must be tapped for the sake of a revival of the individual and the state. Confrontation between parliament and president would be disastrous. At the same time, parliament must not be the plaything of the president. There must be cooperation between the president and all people's deputies. The logic of reform should give priority to economic legislation: Enterprises must be given freedom and responsibility. We need help from our friends abroad, but we must rely above all on our own efforts. We should remember Russia's specific traditions and not just pay lip-service to the concept of the Russian nation and its culture and people.

Answering questions, Baburin says he is not nominating himself: He allowed his name to go forward. He thinks his constituents will back him. Another question: How can one federation be stuffed into another? We must not end up appointing provincial governors: Local leaders must be elected by popular ballot, he says.

At 1910 GMT the third candidate, Vladimir Lukin congratulates Yeltsin again, amid some commotion. The Constitutional Court has an important function to perform, he says. A parliament that does not closely scrutinize the public purse is not worthy of the name. There should be close links between the RSFSR Supreme Soviet and republican parliaments. The revival of Russia is only possible by democratic means, but Russia's road to democracy is particularly difficult. It is not a single action but a process. Amid Russia's crisis, it would be criminal to make a bid for power for power's sake.

Answering questions, Lukin says that the problems of grain are relevant to the Supreme Soviet from the budgetary and supervisory points of view.

At 1924 GMT Viktor Stepanov, the next contender, says he did not stand for reasons of personal ambition, but to work jointly with those who backed him for the sake of Russia. Agriculture faces continuing problems, and we have no right to stand by while the food situation gets worse. Nor should we merely stand and watch while coal and power supplies face problems. Russians must unite to extricate themselves from the crisis.

At 1934 GMT a deputy says that Stepanov is often absent from Russian parliamentary sittings. Where is he? Stepanov says that this issue has been raised before. But he has attended sessions. He also has duties in the Karelian parliament. Another deputy says that recent elections have shown that Russians have said not the present regime, i.e. the communist regime. How can an anti-people organization, i.e. Russian Communist Party do any good for the parliament? Stepanov does not agree with such an appraisal of the party. He would never do anything against the people.

Ruslan Khasbulatov, the fifth candidate, comes to the podium. He gives his view of the work of the Supreme Soviet and its chairman. He thinks the other candidates have only an abstract view of this work. The chairman must not be wrapped in silk in a box. The Constitution defines the duties of the chairman—if changes are necessary then we can make them. The chairman must make sure that the agenda is adhered to, despite frequent objections from deputies. It is necessary to reduce the number of committees and commissions—and he will do this, not talk about it for six months. The rights of the various nationalities must be broadened, but they must also be clearly defined. At the same time our territorial integrity and unity must be preserved, he says.

Replying to questions, Khasbulatov says he shares views with Yeltsin, but there are also disagreements, and sometimes he has persuaded Yeltsin over to his point of view. A positive aspect of such a relationship is that conflicts have been avoided.

At 1955 GMT the program is interrupted for the "Vesti" newscast.

The program resumes at 2017 GMT. Deputies continue to put questions to Khasbulatov. One asks if he will not need additional powers to introduce order into the Russian parliament building. Yes, it is necessary to introduce order into the parliament, but this is a complicated business. There are problems regarding space for all the people who need to work there, Khasbulatov replies.

At 2020 GMT Sergey Shakhray, the final candidate, comes to the podium. It would be possible, he says, to criticize the other candidates, as he is the final candidate, but he will not do this. The referendum and presidential elections have removed the risk of conflict in society and given direction for the parliament. There have been mistakes in the parliament's economic work. Often work has not been thought through. The present inflationary policies will lead to catastrophe. Everything that has been done for agriculture has been anti-market in its essence and direction. The peasants do not need money, because money has lost its value. There is also the problem of a lack of hard currency. Laws, the budget, and control must be used to control the president's actions. A system of control must be introduced because it is presently lacking. There has been a split in deputies between first and second grade regarding working conditions, accomodation, transport etc. This must not be tolerated because it damages the deputy body and the work of the Supreme Soviet. The main work of the future chairman must be work with deputies and deputies of local soviets.

Answering questions, Shakray says that decentralization is necessary but the RSFSR must not be split into feudal principalities. It is possible to give greater powers to autonomous territories, but they must remain part of the RSFSR. He is in favor of a strong federative union and strong federative Russia.

At 2035 GMT a deputy says that deputies should move to discussion, but chairman Isakov says that it has already been agreed that there will be no discussion. There is a vote on whether those proposing the deputies should be allowed to speak; it is agreed that they can speak for three minutes.

An unidenified deputy comes to the podium and recites the country's economic woes which should be solved by the president and the Supreme Soviet, and particularly its chairman. His group—Communists for Democracy—supports Khasbulatov as the best man for the job because he has experience.

At 2039 GMT Deputy Pavlov of the Russia group comes to the podium and says there is a need for a system of balances. Baburin is the best man to balance Yeltsin. No one will regret his election.

At 2042 GMT Deputy Travkin comes to the podium and talks of Russia's past experience with a ruling party at the summit. He warns that those who obtain power hanker after the privileges which in the past have gone with it—Khasbulatov knows this. He supports Lukin as the best candidate; he is an orderly man who will not seek dachas and privileges for himself.

At 2046 GMT Deputy Tolstoy comes to the podium. Russia is now a great state and as such needs large-scale international links. So we need a man who is capable of forging such links. We need a strong, competent person who can open the gates for our parliament to have strong international links. So the best man for this is Lukin, he says. The deputies then state their candidacy preferences.

At 2104 GMT Ivan Silayev comes to the podium to announce the resignation of the Russian Government in accordance with the Russian Constitution. The main aim of deputies and Russia, having made the choice of the presidential system, must be to work with the president. He finished by supporting Khasbulatov.

At 2109 GMT deputies resume the discussion on candidacy preferences.

At 2113 GMT a vote is taken on stopping the discussion; 841 in favor. The chairman reads out the list of candidates for chairmanship.

At 2115 GMT Viktor Stepanov comes to the podium to say that the chairman must have certain qualities such as respect for the law. He then withdraws his candidature.

Chairman Candidates Speak

LD1107160191

[Editorial Report] Moscow Radio Rossii Network in Russian at 1200 GMT on 11 July carries a 20-minute report by correspondent Ilya Androsov on policy statements by candidates for the post of chairman of the Russian Soviet Federated Socialist Republic [RSFSR] Supreme Soviet at the Congress of People's Deputies 11 July morning session in Moscow. The duration of each speaker's recorded remarks is three minutes.

In his remarks, Nikolay Arzhannikov advocates unity. The speaker of the parliament must be impartial and keep his political views to himself, he argues. He must refrain from media exposure and not yield to pressure from any quarter, guided by the parliament's wishes.

Sergey Baburin says any confrontation between the parliament and the president will be ruinous. It will be equally ruinous, he says, if the parliament became a toy in the hands of the president. Both the congress and the Supreme Soviet are merely instruments of people's power. Democracy is not majority rule, but safeguarding the minority rights. If we understand it, Baburin says, we can work fruitfully on our reforms. There must be unity between democracy, patriotism and efficient economy for things to get better.

The next speaker, Vladimir Lukin says the chairman must be a factor for unity. He can express his political views, but not in his capacity as chairman. Equality of rights must be ensured and minorities must not be discriminated against, Lukin says. The Supreme Soviet must be open in its work. Democracy must regenerate Russia.

Viktor Shtepanov says laws must be effective. There must be a demarcation of power. The Union treaty must be signed and preparations for the federal treaty must be completed, and account taken of the views of the public. Stepanov says the role of the chambers must be enhanced. Russians must unite to extricate themselves from the crisis.

Ruslan Khasbulatov says the views of some of the previous speakers were abstract. How can the chairman be a mannequin, wrapped in cotton wool, he asks. The Constitution has something else to say about his role, and Yeltsin was a vigorous chairman. Thanks to this there are certain tangible results. He says he will reduce the inordinate number of committees and commissions and make various organizational and structural decisions.

Sergey Shakhray emphasized the need to have parliamentary sovereignty protected. Having given birth to a strong president, the parliament must not die. A constitutional court should be elected to settle any conflicts between the president and the parliament, he says. An effective system of control must be in place to control the decisions that have been adopted. There must be no infringements of the standing orders. Local soviets must be helped in every way. National, state policy must be underpinned by strategic planning.

Stepanov Withdraws Candidature

LD1107155291 Moscow TASS International Service in Russian 1511 GMT 11 Jul 91

[By TASS parliamentary correspondents Yuriy Kuzmin and Andrey Surzhanskiy]

[Text] Moscow, 11 July. (TASS)—Viktor Stepanov, one of the six candidates for the post of chairman of the Russian Soviet Federated Socialist Republic Supreme Soviet, has withdrawn his candidature today at the evening session of the fifth congress of people's deputies.

Viktor Stepanov, chairman of the parliament of the Karelian Republic, made a statement to the congress explaining his decision as being influenced by "certain opponents" who were using his nomination "in order to stick political labels."

However, in the corridors, many deputies are expressing a different view, namely that members of "Communists of Russia" faction have placed their bets on another candidate—Sergey Baburin, member of the centrist group "Russia" who, in their opinion, has a better chance to win than Viktor Stepanov.

Head of the Russian Government Ivan Silayev, who resigned from his office today, has expressed an opinion to a TASS correspondent that this step "could be explained as a tactical maneuver in favor of some other candidate."

Baburin Leading Election

LD1207101391 Moscow TASS International Service in Russian 0955 GMT 12 Jul 91

[By TASS correspondent Yuriy Kozmin]

[Text] Moscow, 12 Jul (TASS)—At the elections of a new head of the republican parliament held at the Fifth Extraordinary Congress of Russian Soviet Federated Socialist Republic [RSFSR] People's Deputies today, Sergey Baburin, candidate from the Rossiya centrist faction of deputies, gained most of the votes (about 435). This was announced at the morning sitting.

Ruslan Khasbulatov, first deputy head of the Russian parliament and candidate from the "Democratic Russia" faction, won about 342 votes. Until now he had been regarded as having the best chances.

Sergey Shakhray won 124 votes, Vladimir Lukin 71. The smallest number of votes—four—were cast for Nikolay Arzhannikov, who nominated himself.

None of the candidates has won the majority of votes necessary for election, therefore a second round of voting will be held today. The names of Sergey Baburin and Ruslan Khasbulatov will be put on voting slips.

Sobchak Urges Supreme Soviet To Cease Operations

LD1107183191 Moscow Russian Television Network in Russian 1700 GMT 11 Jul 91

[From the "Vesti" newscast]

[Text] At a press conference in the Mariyskiy Palace today, Sobchak, Mayor of Leningrad, said: I believe that the USSR Supreme Soviet must cease its operations. It is now clear that its current membership will obstruct the signing of the Union treaty and the country's new constitution.

Government Tenders Resignation to Yeltsin

LD1107151291 Moscow TASS International Service in Russian 1445 GMT 11 Jul 91

[By TASS parliamentary correspondent Yuriy Kozmin]

[Text] Moscow, 11 July (TASS)—The Government of the Russian Federation, in accordance with the article of the Russian Soviet Federated Socialist Republic [RSFSR] Constitution connected with the coming to power of the first president of the republic, has laid down its powers. The notice of resignation was handed to Boris Yeltsin by Ivan Silayev, head of the RSFSR Government. He said this today at the Fifth Extraordinary Congress of Russian People's Deputies, which is in its second day of work in Moscow.

According to the RSFSR's basic law, the president of the Republic now must name the new head of the Russian Government. This will probably take place at this congress.

In his short speech from the rostrum of the forum, Ivan Silayev called upon the people's deputies to elect Ruslan Khasbulatov as chairman of the RSFSR Supreme Soviet. He gave as grounds for this that he will be able "to establish close and constructive cooperation" between the president and the parliament of the Republic.

Silayev on Resignation

LD1107223291 Moscow Russian Television Network in Russian 2104 GMT 11 Jul 91

[Speech by Ivan Silayev, chairman of the Russian Soviet Federated Socialist Republic, RSFSR, Council of Ministers, announcing the Russian Government's resignation at the Fifth Extraordinary Congress of Russian People's Deputies in Moscow on 11 July—recorded]

[Text] Esteemed comrade people's deputies, this morning the Government of the Russian Federation resigned and submitted its resignation letter to Boris Nikolayevich Yeltsin in accordance with Article 123 of the RSFSR Constitution and in connection with the inauguration of the first president of the country. We have used, let us say, a constitutional momentum. However, I believe that you might still be interested in the opinion of the government which has been working and interacting with the Supreme Soviet, with the congresses and, naturally, with specific persons in the Supreme Soviet.

I believe that our main objective, the main objective of the corps of deputies and of Great Russia in general, is to ensure close interaction and constructive cooperation, since we have chosen the presidential structure of power. Therefore, I personally do not accept certain concerns about the president falling out with the Supreme Soviet. I think that in choosing a candidate for the post of chairman of the Supreme Soviet, our aim should be precisely to ensure constructive cooperation between the president and the Supreme Soviet, since the people have voted for the presidential structure and since Boris Nikolayevich Yeltsin did not and does not give reasons to suspect him of acting otherwise. This is the first thing.

Second, it is only natural that in all the processes taking place during this year everyone played a certain role. And if he has done it honorably and all of us are celebrating the victory of democracy according to the results of the elections, then in my view, naturally, Ruslan Imranovich Khasbulatov has made his valuable contribution. Then why should we ignore this and rush into searching for completely new candidates? I think that his work as a first deputy chairman of the Supreme Soviet was not of small importance, and therefore he has already developed the qualities needed for objective interaction with the former chairman of the Supreme Soviet and presently the president of the country, which is also very important. I imagine that the chairman of the Supreme Soviet should be sufficiently wise, and Khasbulatov has all the necessary qualities for this.

Finally, I shall reveal one side of his work, perhaps not known to everyone—the constant struggle for sovereignity, the defense of Russia's interests, in which Khasbulatov has constantly been taking part. And consider the fact that the president of the country has issued a resolution in which he approves the joint action program of the Russian cabinet and those of the Union republics, where you can see a great degree of progress in favor of the republics and, first of all, Russia.

I consider that Ruslan Imranovich's fighting qualities—and they are well-known to those who have experienced them in the Union structures—will still be useful, for the fight is not yet finished. This is why I am expressing both my point of view and the point of view of the government which has functioned for a year under your leadership in favor of Ruslan Imranovich Khasbulatov. Thank you for your attention.

Democratic Communists Break From Communist Party

LD1207102891 Moscow TASS in English 1012 GMT 12 Jul 91

[Text] Moscow July 12 TASS—The Communists for Democracy Movement on Thursday announced its split with the Russian Communist Party, Soviet television reported on Thursday.

The movement is planning to demand its share of party property and create a new organisation, the Democratic Party of Russian Communists. Its first congress is expected to be held in August.

Conference Scheduled 23-25 Aug

LD1107220191 Moscow Radio Rossii Network in Russian 2030 GMT 11 Jul 91

[Text] A meeting of the political club Communists for Democracy took place today at the political center of the CPSU Moscow City Committee. Here is our correspondent Anton Grishin with more details.

[Grishin] This was, effectively, a conference of the Moscow organization of supporters of the Communists for Democracy movement, which was initiated some time ago by today's vice president of the Russian Federation, Aleksandr Rutskoy. It turned out that the Communists for Democracy movement is ready to transform itself into a democratic party of communists of Russia which will form an alternative to the Russian Communist Party [RCP], which is sometimes referred to just as Polozkov's party. The breakaway has, in fact, already taken place. As for the legal registration of the split, it will take place at the congress of the new democratic party scheduled for 23-25 August. A report by (Grigoriy Vodolazov), a member of the organizational committee of the Communists for Democracy movement, was heard at the meeting of the political club. He outlined the organizational split with the RCP.

Around 15 July, the draft rules of the new party will be published. On 20 August, the Moscow conference of its supporters will take place.

Students from the United States who were present at the meeting of the political club took particular note of the fact that the CPSU still forms the core of the new party. They also wished, taking the opportunity, to give their sincere regards to Aleksandr Rutskoy, which I am now doing.

Yeltsin Issues Decree on Education

LD1107203491 Moscow TASS in English 1957 GMT 11 Jul 91

[Text] Moscow July 11 TASS—The Russian Federation's President Boris Yeltsin today signed his first decree "on priority measures to develop education in the Russian Federation". It envisages the working out before the end of the year a state programme for the development of education in Russia.

The document says specifically that "in order to offer wider opportunities to citizens of the Russian Federation in receiving education, conducting the necessary scientific research, exchanging scientific and pedagogical experience and developing international cooperation, no less than ten thousand students, postgraduates, teachers and researchers should annually be sent abroad for studies, training and upgrading of qualification."

The decree also envisages a considerable increase of salaries to staffers of educational establishments and of scholarships to postgraduates, students and pupils of vocational technical schools.

Russian Communist Party Congratulates Yeltsin

PM1107141591 Moscow PRAVDA in Russian 11 Jul 91 Second Edition p 2

[Message from RSFSR Communist Party Central Committee Politburo "To Boris Nikolayevich Yeltsin"]

[Text] The RSFSR [Russian Soviet Federated Socialist Republic] Communist Party Central Committee Politburo congratulates you, esteemed Boris Nikolayevich, on your election as our republic's first president.

Under present conditions great responsibility has been placed on Russia's new leadership. Strenuous work lies ahead to emerge from the extremely complex socioeconomic situation in the republic and to prevent the further destruction of production forces and buildup of social conflicts. We are sure that the republic can be led out of the profound crisis only by pooling the efforts of all parties, public associations, and entire people.

The RSFSR Communist Party is in favor of constructive cooperation and honest dialogue with all those who want to preserve the USSR and strengthen the sovereignty of the RSFSR and the autonomy of all republics and national-state formations belonging to it, and ensure the rights, freedoms, and welfare of citizens on the basis of the further development of Soviet statehood, democracy, and legality and the priority of free labor.

The RSFSR president may be sure that the Russian Communists will do everything in their power to set up civil consensus and will support the republic's leadership in decisions and initiatives which accord with the fundamental interests of the working people of Russia and all peoples inhabiting Russia.

Silayev Postpones Visit to Bavaria

LD1107123991 Berlin ADN in German 1151 GMT 11 Jul 91

[Text] Moscow (ADN)—Russian Premier Ivan Silayev has postponed his visit to Bavaria, scheduled for 16-19 July. The agency RIA [Russian Information Agency] reported today, basing its reports on the republic's Foreign Ministry, that the postponement is connected

with the present formation of a new Russian Government. In accordance with the law, the Republic's government has to resign, at the very latest, 10 days after the inauguration of the new Russian president, Yeltsin.

Moscow Unemployment, Labor Exchange Discussed

PM1107085191 Moscow IZVESTIYA in Russian 5 Jul 91 Union Edition p 3

[Report by V. Belikov: "Moscow Labor Exchange: First 2,000 Unemployed"]

[Text] The start of the activities of the labor exchange in the capital was described at a 4 July press conference at the Moscow City Soviet.

A. Muzykantskiy, deputy chairman of the Moscow City Soviet Executive Committee, and I. Zaslavskiy, general director of the capital's labor exchange, reminded journalists that the RSFSR [Russian Soviet Federated Socialist Republic] law on employment came into effect at the beginning of July, which made it possible to start officially registering Muscovites who have lost their jobs. More than 2,000 unemployed people, 55 percent of them women, are already on the books.

Unemployment benefit will only be obtainable via the labor exchange. For the duration of one year a Muscovite who has not worked since 1 February can be paid a sum of between 75 and 45 percent of his former pay out of the general Moscow employment fund, which is made up of payments by enterprises, organizations, and institutions of one percent of their wage funds. You obtain the benefit by meeting certain conditions and presenting the relevant documents.

These restrictions are essential, it was noted at the press conference, since it is clear that there are many people who are reluctant to find a job, preferring to ma??yrious kinds in the city at the moment: 90 percent for workers and only 10 percent for employees. You find the opposite ratio, unfortunately, when it comes to people applying to the labor exchange. At the same time, there is very great demand for qualified economists, accountants, and lawyers—this is a true sign of our economy's entry into a market economy.

Answering an IZVESTIYA correspondent's question about the assessment of the actual level of expertise of someone applying for help to find a job, I. Zaslavskiy announced that the Moscow labor exchange intends to have professional assessments of the knowledge and skills of those it recommends for new jobs.

Details of Growing Republic Unemployment

LD1007114991 Moscow TASS International Service in Russian 1710 GMT 9 Jul 91

[By TASS correspondent Andrey Surzhanskiy]

[Excerpt] Moscow, 9 Jul (TASS)—Presently in the Russian Federation about 3,000 people are classified as unemployed. However, this process is gathering momentum and by the end of the year their numbers may increase to 100,000-150,000 people. This is the official information from the republican government, with which journalists were acquainted today at a press conference devoted to the implementation of the Russian Soviet Federated Socialist Republic [RSFSR] law on employment (it came into effect as of 1 July this year).

Representatives of the Federation of Independent Trade Unions think that the situation is more critical. According to their data, to date there are about 5 million unemployed in the republic, and by the end of the year this figure may increase to 12 million.

According to Anatoliy Arzamastsev, chairman of the RSFSR State Committee on Employment, about 25,000 people have already contacted the employment services on Russia's territory. Of this number, 43 percent are workers, 33 per cent white collar workers, 8 percent young people, and women make up a significant section. [passage omitted]

New Russian Trade Union Body Formed

PM1207093591 Moscow PRAVDA in Russian 11 Jul 91 Second Edition p 3

[Report by correspondent V. Gerasimov: "'Yedineniye' Will Offer Protection"]

[Text] Leningrad—A certificate of registration of a new public movement—the "Yedineniye" movement of RSFSR [Russian Soviet Federated Socialist Republic] trade unions—was presented to the chairman of its council, Leningrader V.P. Zaslavskiy.

"Our movement was born two years ago," V. Zaslavskiy said. "Its main aim is the protection of the working people's civil, economic, and social rights and the promotion of the development of new forms of economic management and entrepreneurship within the framework of existing legislation. The means of implementing the tasks which have been set are diverse and expressed in specific actions. A trade union of working and nonworking pensioners has been organized. This category of the population will grow with the transition to the market. Yet they can still be of real benefit to society. To use the knowledge and skill of labor veterans, we have already organized three enterprises.

"Small, joint-stock, and leased enterprises and joint ventures, private businessmen, individual farmers, and cooperatives have been drawn into 'Yedineniye's' orbit. As is well known, until the emergence of our movement ordinary workers in cooperatives had no legal or social protection. Now it is another matter. The relevant trade union acts in defense of the working people's interests. We are influencing the improvement of working conditions by the purely economic method: Payments into the social security fund have been set higher for those enterprises where working conditions are worse.

"We have already created regional committees in all Russia's main oblasts."

Leningrad Enterprise Zone Operations Begin

LD1007224291 Moscow TASS International Service in Russian 1725 GMT 10 Jul 91

[By TASS correspondent Lyudmila Fomicheva]

[Text] Leningrad, 10 Jul (TASS)—The lengthy epic of the discussion of the concept of a free enterprise zone in the Leningrad region has come to its logical end. A TASS correspondent was told by Anatoliy Chubays, chairman of the economic reform committee of the executive committee of the Leningrad City Soviet, that the zone began operations.

"The stage of endorsing all the key documents relating to the customs and excise systems, social protection, and foreign currency circulation has ended," Anatoliy Chubays said. "A mechanism for transition toward the market, according to which the city is prepared to accept the risk and responsibility for choosing that way of emerging from the crisis, has been worked out."

But, there will be no quick solution to the crisis without foreign investment, the chairman of the economic reform committee considers. Leningrad is, therefore, attracting foreign businessmen so that they deposit their capital in various sectors of the city's infrastructure and in joint enterprises. The free enterprise zone will help to fill the consumer market, he stressed.

The city authorities have embarked on reviving the city's former glory as the country's banking center, as it was at the beginning of the century. It is planned to reconstruct in Leningrad 50 buildings in which banks were formerly accommodated to subsequently reestablish banking institutions there, including some with mixed foreign capital.

Legislator Rebuts Criticism of Silayev

PM1207085191 Moscow ROSSIYSKAYA GAZETA in Russian 9 Jul 91 p 1

["Our Commentary" article by RSFSR People's Deputy V. Vorontsov: "What the Premier Is Defending"]

[Text] During major changes in state and society the question naturally arises as to who will direct future movement and along what channel. Therefore Russian citizens are not indifferent to the question: "Who will occupy the vacant post of Supreme Soviet chairman, and who will become prime minister of the first Cabinet?"

The newspaper SOVETSKAYA ROSSIYA has also contributed its pennyworth to the discussion of this highly important question, commenting in its characteristic spirit on the RSFSR [Russian Soviet Federated Socialist Republic] Council of Ministers chairman's statement at the Supreme Soviet session in which he presented convincing arguments which served as a basis for the adoption of a Supreme Soviet decision to suspend the operation of part of the Pavlov anticrisis program on RSFSR territory. On the whole if you analyze attentively this and many other articles in this paper, you can clearly see a constant urge on the part of the paper to discredit the RSFSR Government. Knowing whose interests the paper expresses and whose social imperative it fulfills, it is easy to understand that it is no accident that Silayev somehow fails to hit it off with the orthodox advocates of the administrative-distributive system.

In what way? In the fact that he firmly conducts a line aimed at strengthening Russia's real sovereignty. And this threatens the Union nomenklatura with the loss of their familiar warm seats.

I believe that our premier's prestige is increased still further after articles like this. Judge for yourself. In his statement the premier cited facts; but the paper, having no line of argument, was forced to resort to the opinion of... TASS observers. Take, for instance, federal taxes, which the paper defends. Yes, such taxes exist in other countries but, after all, no country has a Union leadership that would spend the resources of republics and districts without some form of control. Therefore Russia, dealing with precisely such a government and such a state structure, considers a two-channel system of taxes unacceptable.

Take the second "fact" cited in the newspaper. A clause on the republics' right to engage in foreign economic activity, impose import restrictions, and issue licenses was endorsed at Novo-Ogarevo. The Pavlov government is unilaterally contravening the accord which was reached, that is to say, putting itself above the will of the sovereign states.

Can the premier of Russia keep quiet in these circumstances? Naturally not. He is obliged to officially raise the question of suspending the promulgation of the anticrisis program of such a USSR Government on RSFSR territory.

Yuzhno-Sakhalinsk Airport Set for Foreign Flights

OW1207100491 Moscow Central Television First Program and Orbita Networks in Russian 0930 GMT 9 Jul 91

[V. Korotkikh video report; from the "Vremya" newscast]

[Text] Yuzhno-Sakhalinsk has become the second city in the Far East after Khabarovsk in which a department for foreign flights has been opened. Our Sakhalin correspondent reports on the new department's work. [Video shows a Korean Air Boeing 727 aircraft delivering passengers at Yuzhno-Sakhalinsk Airport]

[Begin recording] [Korotkikh] Foreign business partners and tourists are showing great interest in Sakhalin as a

free economic zone and this serves as an incentive for constantly improving airport services in the oblast capital. Besides, this is being done without detriment to our countrymen who seek the services of Aeroflot. Reconstruction is under way at the Yuzhno-Sakhalinsk Airport and a complex for providing services to passengers leaving for overseas destinations and foreign citizens catching planes for other parts of our country has been commissioned.

Charter flights like this one, which is the 33d flight from Seoul, capital of South Korea, have become a common sight for Yuzhno-Sakhalinsk. [Video shows passengers alighting from the rear of the Boeing 727, then cuts to show Korotkikh interviewing V.S. Aksyutin, deputy chief of the Sakhalin Aviation Enterprise, on the tarmac] Viktor Sergeyevich, what countries do the passengers come from and what kind of services do you already provide?

[Aksyutin] The Yuzhno-Sakhalinsk Airport was opened officially for international flights in January last year. During this time we have provided services for more than 4,000 Soviet and foreign citizens on international flights which flew to South Korea, the United States, and Japan. They were all charter flights. Regular flights are not being made into Yuzhno-Sakhalinsk yet. However all of the airport's services are ready for the inauguration of regular international flights. We hope that they will begin soon.

Besides this, the international part of the airport provides services for foreign citizens on domestic flights. Last year representatives of more than 30 countries of the world availed themselves of our services. [end recording]

Vladivostok Dockers Receive Extra Food

PM1107152191 Moscow KOMSOMOLSKAYA PRAVDA in Russian 11 Jul 91 p 1

[P. Ushanov report: "Do People in Vladivostok Know Whose Meat They've Eaten?"]

[Text] At the height of summer a food crisis has broken out in Vladivostok. As a result a dockers' "hunger" strike has become a completely realistic possibility. In order to to avert it, the united committee of the Maritime Kray workers' movement put a proposal to the republic, kray, and city leaders that part of the food cargoes passing through in transit be kept in Vladivostok.

Ye. Blinov, chairman of the Vladivostok Gorispolkom [city soviet executive committee], was one of the first to respond to the proposal. He committed the local "Soyuzvneshtrans" office to leave 11,500 tonnes of meat in transit in the city in July.

The first vessel to be "caught" was the diesel ship Yanis Raynis with 419 tonnes of meat on board, of which 350 were destined for the Kuzbass. It is clear that the miners will receive far from all of it.

But the situation may nevertheless have the most unexpected twist. You see, the Maritime Kray leadership is going to conclude a treaty with the Kuzbass for the supply of 2 million tonnes of coal.

What is going to happen in Maritime Kray during the winter is unknown.

Ukraine

Communist Party Stabilization Work Detailed

91UN2040A Moscow SOVETSKAYA ROSSIYA in Russian 3 Jul 91 First Edition pp 1-2

[Unattributed report: "Lessons for the Future: On the Work on the Ukrainian Communist Party Kremenchug City Committee in Stabilizing the Sociopolitical Situation"]

[Text] A resolution that has been adopted notes that the sociopolitical situation in the city of Kremenchug, as in a number of other cities, is characterized by tension caused by factors of a socioeconomic, political, and criminal nature, and by confrontational activity by organizations of an anticommunist and nationalist-chauvinist orientation. Early last year on the wave of meetings there was a change of leadership in the city party organization. Attempts were made to departyize particular labor collectives. Party rayon committees were abolished and the size of the party apparatus was cut in half.

Under these conditions the city party committee engaged in active efforts to exert a positive influence on the state of affairs in the city and to strengthen links with the primary party organizations, and to direct the efforts of Communists primarily toward resolving tasks close to the workers. It is achieving an increase in supplies of foodstuffs and consumer goods for the population, and it maintains within its field of vision the situation at the enterprises, striving to prevent production interruptions. The city association of industrial enterprises, set up under the city committee [gorkom] is proving useful. Experience is being gained in business relations with soviet organs. At the initiative of the gorkom, a session of the city soviet has adopted a concept for the transfer to market relations. Personnel training in these matters has been set up.

The gorkom and the party organizations are showing concern in preserving the traditional strong support in the working milieu. The search is under way for new forms of cooperation with the public organizations, including veterans', women's, and youth organizations. A joint plenum of the party gorkom and the Komsomol gorkom has been held, questions relating to military-patriotic indoctrination have been discussed at a meeting of the party aktiv, and meetings with youth leaders are being organized.

The party committees have not removed themselves from work with cadres, and they are submitting proposals on candidates for leading posts and carrying out agitation work for them, and they are maintaining links with economic leaders. In a number of the labor collectives work has been organized with the reserve cadres. Efforts agreed upon by the city party aktiv have helped in selecting people with the necessary business qualities for the organs of power and management.

When conducting propaganda and explanatory work, the party gorkom relies on the mass media and makes use of other facilities. A press center functions in the gorkom. Debating clubs have been formed. "Gorkom Days" are held regularly in the labor collectives, and work has been started to organize sociological analysis of the political situation in the city on a permanent basis.

Democratic principles are being asserted in internal party life. During the course of the accountability-and-election campaign, the gorkom secretaries and about 70 percent of the primary party organization and shop organization secretaries were elected from among several candidates. The chiefs of the gorkom departments are elected on a competitive basis. Through the plenums, commissions, and goal-oriented analytical groups, the city committee has been able to recruit a wide range of Communists to work on party decisions. The role of the secretaries of the primary party organizations is being enhanced and many important questions are being resolved with the participation of the secretaries of the city soviet.

In general the city party organization is characterized by a businesslike approach. Work is under way to accumulate new experience giving due consideration to the actual situation. The secretaries, the apparatus, and the party aktiv are assessing their own activity in a self-critical way. Within the party organization there is an understanding that the processes of renewal in party work have still not been brought fully into play. It is difficult for the party gorkom and the rayon committees [raykoms] at enterprises and in establishments to effect the switch to political forms of work. They have not succeeded in increasing the activeness of many of the primary party organizations, or in reaching each Communist. Indecision is seen in acute situations associated, in particular, with the illegal actions of destructive forces.

The gorkom and the party committees are still exerting only a weak influence on the activity of Communists who are people's deputies. While they make up a majority in the city soviet, the Communists sometimes act in isolation and do not always succeed in directing the work of the soviet into a constructive channel. They are letting slip from their field of vision many matters relating to city management, even urgent ones. The links between deputies, including communist deputies, and the electorate have been weakened, and the party group in the city soviet is showing itself to be insufficiently active.

A considerable proportion of Communists have a poor knowledge of the materials of the 28th CPSU Congress and the 28th Ukrainian Communist Party Congress and the statutory provisions. They are poorly oriented in the situation and in party policy. Political training is inadequate in most party organizations. There is a lack of immediacy in explaining current events. The seeds of distrust of leading party organs and the decisions that they make easily find fertile soil here. Mass political

work among the population at places of residence has not been organized in a proper manner.

At the level of the work of the party organizations the liquidation of many party structures in sections and shifts and in brigades has had a negative effect. In 1990 the number of shop party organizations declined by almost one-fourth, and the number of party groups was cut in half. At large individual enterprises—the petroleum refinery and the wheel plant, the Kremenchugzhelezobeton Production Association, the trolley bus administration, and the meat combine—the party groups have been disbanded.

The primary party organizations are not working up to par to consolidate the party ranks. More than 80 percent of the party organizations have not admitted people to the CPSU. Decisions to resign from the party are in many cases accepted by letter, without discussion. Individual work with those who have separated themselves from the party organizations, by absenting themselves from meetings and not paying their dues, is slowly being organized.

The party gorkom is still not initiating new, constructive approaches to the work of the party organizations and is paying scant attention to long-term questions. Large groups of workers remain outside the purview of active influence by the party organizations, particularly teachers, physicians, and other representatives of the intelligentsia. Passiveness is seen among some of the elected party aktiv, and sometimes even apostasy.

It is recommended that in its work the Ukrainian Communist Party Kremenchug party gorkom proceed from the premise that strengthening the links between the city party organization and the mass of workers and the population is of decisive importance in the present situation. That it act rigorously in all directions—in the soviets, economic organs, and labor collectives and at people's places of residence, everywhere giving priority to the questions that people are raising, and that it win the trust of the workers through its concrete deeds. It should focus its attention on everything associated with the switch to market relations and social protection for the workers, and strive to achieve a higher level of employment, create new work places, and provide retraining for personnel giving due consideration to the opportunities for job placement that arise.

It is recommended that it strengthen work with the various categories of workers—workers in education and public health, the services sphere, and the management apparatus—and that it jointly seek out ways to resolve the very complex economic and sociopolitical problems in the city. It should strive to achieve a situation in which the primary party organizations have well-considered programs for the socioeconomic development of enterprises oriented on new forms of management and meeting the interests of the workers, and that these programs be passed on to the collectives for implementation.

In ideological work the emphasis should be placed on studying public opinion and analyzing social processes in the city and the labor collectives, and on explaining the principled approaches of the CPSU and the Ukrainian Communist Party to the issues that are worrying people, and providing the workers with truthful information about the state of affairs in the city, the republic, and the country. To this end it should make better use of the city and large-circulation press and local radio broadcasts, and to insure regular appearances by the secretaries of the party gorkom and party activists on the pages of the press and among audiences made up of workers, and to develop active subscription work for the central and republic party press, and to strive for a situation in which each primary party organization has party newspapers and journals available.

There should be radical improvement in political training for members of the party, focusing on a review of the topical issues in the life of the party and the country and careful study of party documents, and increasing the political activeness of Communists.

They should restructure organizational and party political work at places of residence and ensure that Communists show initiative in resolving community and everyday problems, organizing people's leisure, and monitoring the state of trade and the work of cultural-enlightenment institutions so that their voices are heard in discussions in homes and housing developments and in organs of self-management.

Additional steps will be taken to strengthen the links between the party gorkom and the primary party organizations, and through them the labor collectives, and striving for an organizational and political strengthening of the party organizations and decisively overcome attitudes of passiveness and waiting in the party milieu. Work will be strengthened with respect to admissions to the CPSU. Observance of statutory demands and party decisions, and strengthening discipline and organization within the party ranks will all be important. They must move to create a ramified network of party structures so as to better coordinate the work of Communists and bring them closer to people on specific sectors.

The role of the city council of secretaries of primary party organizations in conducting political campaigns, preparing and working on general party decisions, and disseminating leading experience in party political work and the allocation of funding will be enhanced. Steps will be taken more often that require the efforts of all Communists, offering active support for the party organizations that are under pressure from opposition forces.

Initiative is encouraged by the primary party organizations, including the matter of concluding agreements with the administrations of enterprises on cooperation and expanding cooperation with enterprise leaders and councils, the labor collectives, and the trade unions.

Without interfering in the managerial-executive function, it is the requirement of innovative managers everywhere to achieve better final results, to build their work in close contact with communist managers and recruit them for work on party programs, and at the same time, if necessary, make demands of them stemming from the CPSU Rules.

Acting through the communist deputies, to strive for a situation in which the city soviet of people's deputies set out with increasing firmness on the path of constructive actions to solve the urgent needs of the population and to strengthen legality and law and order. Communist deputies should show themselves as an example of fruitful work in their own districts, and of the well-considered approach in the adoption of legislative and enforceable enactments, and be guided not by emotion but by the interests of the matter, and to organize effective work by the party groups and factions in the soviets at all levels, shaping a common position on the most important issues in the city's political and socioeconomic life.

They must be persistent in improving the style and methods of work, acting more freely, without looking above and expecting instructions. At the same time to coordinate activity with respect to decisions by higher organs, and to help Communists understand them. Within the aktiv and among Communists a businesslike atmosphere and confidence in the correctness of party affairs must be created.

They must take counsel more often with the Communists and develop common foundations in party work, enhancing the role of plenums and meetings in working out party positions and in organizing the affairs of life, and striving for real results on each sector.

The CPSU Central Committee Secretariat has recommended that the Ukrainian Communist Party Central Committee and the Poltava Oblast Committee provide assistance for the Kremenchug party gorkom in the matter of organizational and information support and that they pay more attention to the generalization and dissemination of work experience gained in the party gorkoms and raykoms under the conditions of sociopolitical instability, deepen their contacts with lower party wings, and enhance the coordinating role of all party organs in insuring joint actions by the party organizations.

Moldova

Legislature Adopts Alternative Service Law

LD1007171591 Moscow TASS International Service in Russian 1105 GMT 10 Jul 91

[Text] Kishinev, 10 Jul (TASS)—"Citizens of the Republic of Moldova have the right to refuse to do military service on religious, pacifist, or political grounds. In this event they are obliged to do alternative service". This is stated in a law adopted today by the Moldovan legislature "On Alternative Service," reports the MOLDOVA PRESS AGENCY.

This legislative act, long-awaited by many inhabitants of the republic, determines the procedure for doing alternative service and the kind of activity during that period of service. This may be fire or guard service, work in ecological formations, establishments in the health or social sphere, construction or repair organizations; work for communal services, agriculture, and in enterprises processing agricultural produce. The period for doing alternative service has been fixed at 24 months, and 12 months for graduates from higher educational establishments. Citizens of the republic who have officially refused to do military service are obliged to do alternative service at enterprises in the republic. Only in exceptional cases, and with the agreement of those doing service themselves, can they do service beyond the bounds of the republic.

The adopted law establishes that citizens who have done military service; citizens whose brothers died during military or alternative service; ministers of religion and students at theological establishments; those not fit for service because of their state of health; and persons who have committed severe crimes cannot be called to alternative service. The law goes into force from the moment of adoption. Enlistment for alternative service will be implemented in March-April and in September-October each year.

Georgia

Opposition Leader Attacks Gamsakhurdia

LD1007113891 Moscow TASS in English 1034 GMT 10 Jul 91

[Text] Moscow July 10 TASS—"No one either in this country or in the West now knows the truth about Georgia," Georgiy Chanturia, one of the leaders of the National Congress of Georgia, representing the main opposition to President Zviad Gamsakhurdia, told a news conference here on Tuesday. Chanturia urged journalists to break through the information blockade.

Giving due credit to Gamsakhurdia as a fine translator of works by a great Georgian poet Shota Rustaveli, Chanturia at the same time totally denies him a talent of politician, the Russian television programme Vesti reported.

Chanturia believes that Gamsakhurdia's policy compromises the national democratic movement not only in Georgia but in other republics as well. Gamsakhurdia's dictatorship, he believes, plays into the hands of rightists who uphold imperial principles, because it gives them an added pretext for hostile remarks.

According to the programme Vesti, Chanturia gave facts concerning the persecution of dissidents in present-day Georgia. According to him there are now 76 political prisoners in Georgia.

Chanturia also criticised Gamsakhurdia's economic policy, describing as reactionary the recently adopted privatisation law. He also voiced doubts about the outcome of the recent presidential elections which, he asserts, involved only 40 per cent of the electorate.

Armenia

Armenian Premier on Union Treaty, Independence

PM1107142291 Paris LE MONDE in French 11 Jul 91 p 3

["M.J." report: "The Union Treaty Has No Importance At All"]

[Text] The Armenian prime minister, who is in France for a four-day visit, was received by Edith Cresson at the Hotel Matignon on Monday 8 July. Mr. Manukiyan, who had come to request economic aid for Armenia—one of the USSR's six separatist republics (which have not signed the Union Treaty), welcomed the fact that the Western countries "now have relations with the republics and not just with the center, as was the case a year ago."

Vazgen Manukiyan's political activities have led him from prison to the top position in the Armenian government in the space of one year. He was coordinator of the Karabakh movement and was arrested in that capacity, and when he left prison he founded the Armenian National Movement with Mr. Ter-Petrosyan, currently Armenian president—a movement which brought them to power in spring 1990. This former mathematics professor from Yerevan University, now aged 46, intends to lead his country to independence (a referendum will take place on 21 September) but "in accordance with Soviet law and the Soviet Constitution."

For instance, he promises to respect "the five-year delay demanded by the center"; with regard to the Union Treaty, he does not think it has "any importance at all. Moreover, most of the republics might well not sign it." The government chief stressed: "The distinction between the nine republics who signed the treaty and the six secessionists means nothing because, sooner or later, the republics will have normal economic cooperation and, when we meet at leadership level to consult each other on economic questions, it does not matter whether the republic in question is a member of the nine or the six, we leave political problems at the door." In short, "the days of populist and nationalist meetings are over."

Unlike Lithuania and Georgia which declared their independence in opposition to Moscow, Armenia, Mr. Manukiyan said, intends to puruse "a realistic policy" because although the Lithuanians and the Georgians "originally thought they could completely do without the USSR," they now realize that "they are still bound to the Union, at least economically, for a very long time." This moderate approach to independence, however, does not prevent the Armenians from making their disagreements known. The prime minister concluded: "We are having discussions, but we are signing."

Supreme Soviet on NKAO 'People's Struggle'

LD1107150191 Moscow Radio Rossii Network in Russian 1350 GMT 11 Jul 91

[Text] The following report was received from the (FNAK) news agency today. The republican press carries a draft decision by the Armenian Republic Supreme Soviet deeming the Armenian people's struggle in the Nagorno-Karabakh Autonomous Oblast [NKAO] to be a national liberation movement. Based on a number of international acts, the draft proposes to qualify the actions by the USSR and Azerbaijan authorities in Nagorno-Karabakh as a policy of genocide. The decision deems self-defense in the NKAO to be a forced measure, while deeming participants in self-defense to be partisans, whose rights are protected by the 1949 Geneva Convention.

Armenian Captives Released From Azerbaijan

LD1107203591 Moscow TASS International Service in Russian 1842 GMT 11 Jul 91

[Text] Moscow, 11 Jul (TASS)—A further 44 hostages, mainly staff members of the Armenian Ministry of Internal Affairs, have returned home from Azerbaijan. This is reported by today's IZVESTIYA.

By agreement, the newspaper notes, the exchange of hostages took place at the junction between Armenia's Idzhevan Rayon and Azerbaijan's Kazakh Rayon. According to Vagarshak Arutyunyan, the republic's deputy interior minister, seven Armenian inhabitants still remain in Azerbaijan. They include Vartan Oganesyan, a television journalist.

A telegram has been sent from Yerevan to Eduard Sagalayev, chairman of the USSR union of journalists, requesting his involvement in the fate of a colleague, IZVESTIYA reports.

Supreme Soviet Issues Statement on Situation

LD1107172691 Moscow TASS International Service in Russian 1131 GMT 11 Jul 91

[By correspondent Tigran Liloyan]

[Text] Yerevan, 11 Jul (TASS)—The Supreme Soviet of Armenia has published a statement in connection with speeches by a number of officials and statements by the mass media of the country, which, as the document says "are spreading a far-fetched version," according to which there are no civilians lately in the villages of Getashen, Martunashen, a number of villages of the Berdadzhur sub-rayon, and the Gadrutskiy rayon of the Nagorno-Karabakh Autonomous Oblast [NKAO]. Nor are there now any in the villages of the Shaumyanovsk rayon of Azerbaijan, and only Armenian guerillas are settled there destabilizing the situation.

"The irresponsible statement by Boris Pugo, USSR interior minister, at the session of the USSR Supreme Soviet gives rise to bewilderment at least," the statement affirms. In the opinion of the Armenian parliament, the minister again reiterated "the same far-fetched version, again gave the same false arguments," and the USSR president, "taking account of the normalization of the situation," revoked the state of emergency in this rayon by the decree of 4 July.

The statement carries the demand that the USSR president and the USSR Supreme Soviet send a special commission to the villages of Shaumyanovsk rayon "in order to clear up the presence of the Armenian population there and to bring to book the officials who are misinforming the country's supreme bodies of power and thereby instigating new violent actions and deportation."

Army in NKAO 'Professional and Competent'

PM1107100391 Moscow Russian Television Network in Russian 2000 GMT 6 Jul 91

[From the "Vesti" newscast: Report by V. Nakhysh, identified by caption]

[Text] [Nakhysh] People talk about the military a lot these days. And the people doing the talking often only have thirdhand information. So here is some firsthand information. No, this is not Afghanistan, the Persian Gulf, or even Yugoslavia—it is Nagorno-Karabakh. These people are not fedayeen, guerrillas, or the OMON [Special Purpose Militia Detachment], they are regular Soviet Army subunits. As you can see, they are supremely professional and competent. As they put it, they are defending the Azerbaijani countryside. And if they got the order today to open fire, we would not advise anyone to get in their way. The people of Baku know this well from their experience of the bloody January of 1990. But that is enough stirring. We are not going to use advanced mass media technology on such a scale. And, unlike Comrade Aleksandr Nevzorov, I would hasten to point out that everything you have seen was just combat exercises in Nagorno-Karabakh.

Azerbaijan

Mutalibov Nominated for Azerbaijan Presidency

LD1107163391 Moscow TASS International Service in Russian 1112 GMT 11 Jul 91

[By AZERINFORM-TASS correspondent Natan Barskiy]

[Text] Baku, 11 Jul (AZERINFORM-TASS)—Ayaz Mutalibov, 53, the first president of Azerbaijan, has been nominated as a candidate for the lofty post of president in the course of the campaign for the election of the president of this Transcaucasian republic, which began today. The election of the supreme leader of the republic will be held on 8 September in accordance with the law adopted last month by the Azerbaijan parliament on the basis of universal, equal, and direct suffrage and by secret ballot. The president, who is to be elected by the 8-million-strong multinational republic, will occupy this post for five years. Any citizen of the republic between 35 and 65 years of age who has lived in Azerbaijan for no less than five years may become president.

Workers of the Baku Electrical Domestic Appliances Association, where the present president and first secretary of the Central Committee of the Azerbaijan Communist Party was once a workshop foreman, were the first to propose Mutalibov. Here, as Mutalibov admitted to a TASS correspondent, he "acquired the first skills of communicating directly with people of labor in the process of practical work."

Kazakhstan

Muslim Leader Sodik Deposed for 'State' Ties

PM0907213791 Moscow KOMSOMOLSKAYA PRAVDA in Russian 9 Jul 91 p 1

[A. Mursaliyev report: "Clerical Coup in Tashkent"]

[Text] On Friday 5 July in Tashkent's main congregational mosque—the Tillya-Sheykh—the Council of Imams deposed 38-year-old mufti Mukhammed Sodik, chairman of the Spiritual Directorate of Muslims of Central Asia, and elected a temporary leadership—for the period until the congress.

Mukhammed Sodik was elected head of the Central Asian Muslims in February 1989 after mass demonstrations by believers. The young, energetic, erudite mufti was elected a member of the USSR Supreme Soviet. Under his rule many mosques have been opened, along with a number of Islamic educational establishments, and Khalif Osman's renowned Koran, which was taken away during the years of colonialization and stored in the Hermitage, was brought back to Uzbekistan. As a member of a Soviet delegation Mukhammed Sodik took part in talks with mujahidin leaders on the question of Soviet prisoners of war. However, in this period Kyrgyzstan and Kazakhstan have dropped away from the Spiritual Directorate, and the activity of religious political parties, primarily the Islamic Revival Party, which the mufti himself opposed on several occasions has been banned. Until recently Mukhammed Sodik had to his credit the organization of the hajj—the pilgrimage to Mecca and Medina—last year. But it was the hajj that was the reason for his removal. Opposition to the mufti was first heard last August after the first pilgrims returned. This year's pilgrims have now become the agents of his downfall.

Events began at 1130 hours, one and a half hours before Friday prayers, with a statement by the prominent clergyman Abdurashitkari, who accused the mufti of dividing believers into Muslims and Wahhabites and of discriminating against the latter. The pilgrims then joined the fray, accusing Mukhammed Sodik of selling hundreds of thousands of copies of the Koran that Saudi Arabia had given our country's Muslims, appropriating hard currency—aid from foreign Muslims—and of having links with "certain state structures."

The mufti's supporters also joined in, but their appeals and exhortations were in vain. President I. Karimov's adviser for relations with believers, Tulkun Inayatov, who went to the Tillya-Sheykh Mosque to suggest that eight esteemed people be sent to the president, was unable to halt the development of events.

An ad hoc Council of Imams elected Abdulazizkari, theologian and head of the Fatwa (Law) Directorate, who is, incidentally, the only "apparatchik" to have kept his post since the time of the previous chairman, as provisional head of the Spiritual Directorate of Muslims of Central Asia.

The new leadership of the Muslims of Central Asia has yet to issue a program statement. However, the fact that the new leadership has been joined by Obid-Kari, a young religious leader who favors purging the ranks of the clergy of KGB agents and covert Communists, is typical.

The Uzbekistan "Birlik" people's movement assessed the removal of Mukhammed Sodik as a "victory for the people's forces who are striving to put an end to state interference in the affairs of religious communities." The stance held by the republic's official authorities—along with that of the deposed chairman—is still not known. Mukhammed Sodik did not attend Friday prayers; couriers were sent to get him, but failed to find him. It is still hard to tell how events will develop further. However, some conclusions can be drawn now: Believers in Central Asia seem to be becoming a real political force, a force capable of evading the control of state and party structures, moreover.

Removal Welcomed

OW1007052391 Moscow INTERFAX in English 1230 GMT 9 Jul 91

[Transmitted via KYODO]

[Text] The amir, or leader, of the Islamic party of Rebirth, Akhmad-kadi Aktayev, has welcomed the decision of the Moslem community of Central Asia to remove Mufti Mukhammed Sodik from his post as chairman of the Moslem Spiritual Authority. The decision was taking on July 5 in Tashkent. The Amir was speaking to IF's [INTERFAX's] correspondent.

"Although the Central Asian Mufti spoke out against our party at the behest of the authorities," said Mr. Aktayev, "our party has nothing to do with the dismissal".

The Amir said that he has in his possession a document concerning financial activity in the Central Asian Spiritual Authority (SAUDUM) which confirms the existence there of financial irregularities. "The fact that we did not release this document or have it published proves that we are not involved in the dismissal".

According to Mr. Aktayev, representaties of the Moslem community have for a long time been dissatisfied with the Mufti. They have appealed to all the possible bodies in Uzbekistan and have even been to Moscow to have talks with the Supreme Soviet and the KGB.

According to Mr. Aktayev, the reasons which led to the Mufti's dismissal include financial misuse of funds at SADUM, the sale of Korans donated by Saudia Arabia to be distributed without cost amongst the Moslems of the Soviet Union, and also complete obedience to the Uzbek authorities.

Sodik Removal Denied

OW1107083391 Moscow INTERFAX in English 1530 GMT 10 Jul 91

[From the "Diplomatic Paranoma": "Dual Power in Muslim Board of Central Asia"; transmitted via KYODO]

[Text] The news agency attached to the Cabinet of Minister of Uzbekistan, UZTAG, has made public a statement refuting the reports by the newspapers KOMSOMOLSKAYA PRVADA and VECHERNYAYA MOSKVA that the Mufti of Central Asia, Mukhammed Sodik, was replaced. The official agency underscored that replacements of this kind are authorized only by regional congresses of Muslims, and reported that the Mufti is still in Tashkent and continues fulfilling his duteis.

As IF [INTERFAX] reported earlier, last Friday's Kurultai (congress) of representatives of the region's Muslim communities ruled to replace the Mufti Mukhammed Sodik from the post of Chairman of the Muslim Board of Central Asia on charges of violation of Islamic norms, financial malpractices, and "close contact with government and (Communist) party bodies."

Mukhammed Sodik is a People's Deputy of the USSR.

That was the second attempt at deposing him. The first one, of August 30, 1990, had been abortive. The fact of his replacement had been disproved officially at the time, too.

Sources said to be close to Uzbekistan's popular movement BIRLIK (Unity) say this time the authorities did nothing to prevent M. Sodik's replacement because of serious differences between him and the government. Yet the apparatus seems to be dissatisfied that A.Mansur was elected Acting Chairman of the Muslim Board.

On July 9, Cabinet officials organized a conference of supporters of both the new and the replaced Muftis. The conference was co-chaired by Uzbekistan's Vice-President Shukrullah Mirsaidov, Secretary of the Tashkent Committee of the Communist party Adkham Fazylbekov and otehr communists. It adopted a resolution to set up, "in order to preserve stability," a joint commission of representatives of the two Muftis and the government, to comprehensively study the charges brought against Mukhammed Sodik.

Later on Tuesday the Presidium of the Muslim Board of Central Asia relived the Acting Mufti Abdelaziz Mansur of the duties imposed on him by the Kurultai.

In an interview with IF, A.Mansur said that he had been barred from the meeting of the Presidium, and that his dismissal ran counter to the Board's rules. He would not, however, protest the Presidium's decision since he did not intend to work there in the future; he would "work till the end against the government apparatus's interference in the spiritual life of Muslims."

PRAVDA Denies Dismissal

PM1207095591 Moscow PRAVDA in Russian 10 Jul 91 Second Edition p 2

[Unattributed report under the "News for the Edition" rubric: "Reports Untrustworthy"]

[Text] Due to the appearance in some Moscow newspapers of reports that Mufti Mukhammed Sodik, chairman of the Spiritual Directorate of Muslims of Central Asia Presidium, has been relieved of his duties, a TASS correspondent asked Hajji Abdurashid Dudayev, first deputy chairman of the USSR Muslim Organizations International Relations Department, for explanations.

The newspaper articles do not properly reflect the real state of affairs, the hajji said. The Council of Imams does not have the right to decide the leadership of the spiritual directorate. As for the charges that the mufti has abused his official position and the adoption of sanctions against him, only a Congress of Central Asian Muslims is empowered to consider these questions.

Hajji Dudayev noted that these articles—as they appeared in the newspapers—misinform the public.

Anti-Nuclear Movement Establishes New Fund

LD0807131591 Moscow TASS in English 1226 GMT 8 Jul 91

[By TASS correspondent Vladimir Ganzha]

[Text] Alma-Ata July 8 TASS—The Nevada-Semipalatinsk Movement working for a full ban on nuclear weapons tests recently set up the Public Health Fund.

"We succeeded in suspending the work of the Semipalatinsk nuclear test site with people's diplomacy and there was not a single underground explosion there last year and this year," poet Olzhas Suleymenov, who leads the movement said.

"We now aim to rehabilitate the health of people in areas affected by tests of weapons of mass destruction," he said.

Scientists from Alma-Ata and Leningrad designed installations to produce clean drinking water in contaminated areas, he said.

The installations will be provided to people in villages around the semipalatinsk site free of charge, he said.

The new fund aims to raise money to build hospitals, rehabilitation centres, medical factories and sanatoria in environmental-disaster zones in Kazakhstan.

"We work in close cooperation with international public and parliamentary organisations and parliaments in Kazakhstan and other Soviet republics. We hope this will enable us to reach our goals—ensure healthy normal living conditions for all," Suleymenov concluded.

Locals To Decide on Semipalatinsk Tests

PM0907211991 Moscow KOMSOMOLSKAYA PRAVDA in Russian 9 Jul 91 p 1

[AZIYA-PRESS report: "President Says: There's No Need!"]

[Text] The Kazakh SSR [Soviet Socialist Republic] presidential press service has denied the SIBINFORM report that appeared in the central mass media saying that Nursultan Nazarbayev had allegedly agreed to two nuclear explosions being carried out at the Semipalatinsk test range this year.

This claim does not match up to reality. Nazarbayev's position on the test range's future has not changed: Only people living in that region can decide on the problems connected with carrying out explosions there. A recent Kazakh SSR Supreme Soviet session decided to hold a referendum on this issue in three oblasts of Kazakhstan. Thus, the final response to the military departments' request to carry out explosions at the test range depends solely on the will of the people.

Four Oblasts Form Regional Economic Association

PM0507141191 Moscow PRAVDA in Russian 1 Jul 91 Second Edition p 2

[Correspondent D. Gutenev report: "Treating Neighbors in a Neighborly Fashion"]

[Text] Shevchenko-Guryev—The four oblasts which were once part of the West Kazakhstan National Economic Council have announced that they are to form a regional business cooperation association. Turgay and Kzyl-Orda Oblasts have joined the treaty, too.

The constituent conference has been held in Shevchenko City. It was preceded by meetings that were not entirely pleasant.

"When people started summing up results and completing their plans at the end of last year," N. Iskaliyev, coordinator of the association and chairman of the Uralsk Oblast Soviet, said, "it turned out that everyone had many complaints about their neighbors. For instance, somebody had failed to supply something to someone else. Even though these are not trivial matters, basing relations solely on recriminations is not the way to go about things. That was when the idea was asserted that it was risky entering the market in isolation, and that some deep-seated problems might be solved if we united."

The potential for this exists. Here, in the Caspian area, nature has created a supremely rich source of minerals over a huge territory stretching from the rocks of the Urals to the sands of the Kyzyl-Kum. But, in light of the destruction of ties between economies, it is getting harder and harder to extract those minerals. Particularly when there is no end product capable of being bartered—even inside the country. Thus, Guryev Oblast has concluded contracts for the export of 95 percent of the output produced in the oblast and for the import of just 83 percent [sentence as published]. The corresponding figures for Aktyubinsk Oblast are 95 and 70 percent. Things are no better in Mangistau and Uralsk Oblasts.

"Mangyshlak," F. Novikov, chairman of the Mangistau Soviet of People's Deputies, said, "produces neither grain nor potatoes. On the other hand, it does have oil, fertilizers, and polystyrene. How can these goods be exchanged for what we need? Clearly, by developing economic ties."

With closer contacts it transpired that the oblasts themselves could plug some of the gaps in the framework of exchange between neighbors. For instance, there are continuous problems with fuel. A considerable amount of fuel is imported to western Kazakhstan, while the Guryev Oil Refinery sends its output to other regions. Additionally, it is not even working at full capacity: The local oil is refined at Russian plants. Cooperation in providing funds for the modernization and expansion of the Guryev enterprise and the revision of transport arrangements could rectify the situation.

The need to strengthen economic ties can also be seen in the example of common salt. It is sometimes delivered from remote areas. Yet it would be no great problem to increase production of it at Inder Lake. A rapidly developing region needs construction materials. The need for them, as is well known, is far greater than the funds allocated for the purpose, and often even these funds are chasing inadequate supplies. Here, too, the shortage could be reduced if—as the association participants agreed—production of cement was organized in Uralsk Oblast, of silica bricks and construction lime in Guryev Oblast, of sheet glass in Aktyubinsk Oblast, and of tiles in Mangistau Oblast. Nor can we manage without coordination actions when resolving the food problem. There are considerable prospects in the joint organization of fishing and hunting, and in the rational use of rivers—all of which lie in the Ural-Caspian Basin.

The agreement envisages mutual commitments for deliveries of raw materials, technical products, and consumer goods, and cooperation in setting up joint ventures. Nor have questions of public education, culture, and health care been forgotten.

It is, in my view, worth noting the paragraph in the agreement under which the participants in the association undertake to support other oblasts' interests on the internal Union and republic markets—particularly when carrying out barter deals, operations, and contract shipments. Does this announcement mean that another "bloc" is being pieced together?

"No way," G. Aldamzharov, chairman of the Guryev Soviet of People's Deputies, replied. "Despite having a wealth of natural resources, our oblasts are the most backward in the republic. The development and strengthening of horizontal ties with our neighbors, the

joint coordination of actions, and mutual support are the levers which will help us out."

And anyway, who else will help a neighbor, if not a neighbor?

Kyrgyzstan

President Issues Decree on Emergency Measures

LD1007072291 Moscow All-Union Radio Mayak Network in Russian 0600 GMT 10 Jul 91

[Text] Emergency measures in agricultural production for the period of fodder preparation and this year's harvesting were introduced in Kyrgyzstan in accordance with the decree by Republican President Akayev. Oblast and rayon soviets of people's deputies were granted special powers to mobilize human resources, agricultural equipment, and transport to organize gathering of the harvest and preparation of fodder.

PRAVDA Views Kyrgyz CP Plenum

PM1207092991 Moscow PRAVDA in Russian 5 Jul 91 Second Edition p 2

[Correspondent Yu. Razgulyayev report under the rubric "Party Life: Analysis of Practice": "What Is the 'Topic of the Day.' Party Can No Longer Be An Outside Observer of the Processes Taking Place in the Republic. That Has Been Firmly Decided"]

[Text] Bishkek—It was not only Communists who had been impatiently awaiting this plenum in Kyrgyzstan. Just two months ago there was a radical change in the leadership of the republic's Communist Party. Only one of the former Central Committee secretaries was retained, and almost all of the bureau members who were not directly involved with the functioning of the party apparatus were removed.

This "cadre coup" was also important because it was preceded by long and hard months of opposition from the Central Committee and the parliament. Having lost the presidential elections, the old party leadership had assumed the pose of a hurt, outside critic. Every mistake made by the obstinate Supreme Soviet gave rise to far-reaching political conclusions and was seen as "undermining the socialist ideal."

And, as always happens, these high-level disputes were reflected in the most unpredictable way in public awareness and the mood of ordinary people. Outwardly all this was expressed in pickets, rallies, and hunger strikes outside the building where the sessions were being held, and—worst of all—in tension between the republic's ethnic communities.

In short, the party in Kyrgyzstan had rapidly lost its authority. And this was all the more hurtful because, on the whole, Communists had come through the elections quite confidently at all levels. Even the much-criticized "wholesale" transfer of first secretaries to the position of soviet chairmen had some definite advantages. After all, almost all of them remained Central Committee members.

But the leadership's direct opposition to any democratic transformations and its rejection of cooperation with political forces with even slightly distinctive policies inexorably propelled Communists to the very margins of the political arena and into the camp of diehard conservatives.

This by no means suited everyone, of course. I recall the turbulent party meeting held by Central Committee apparatus staffers. Even they, it seemed, who had been shackled by decades of rigid discipline, attempted to rebel against the need to constantly look over your shoulder, against the submissively hierarchical structure, and against the reluctance to take account of the realities of life.

So April's "cadre coup" in Bishkek was by no means a question of the old leadership voluntarily retiring. It was not even a result of the radical views held by most Central Committee members. The leadership was forced to do this, otherwise it could have lost its last chance to keep up with the rapidly developing processes of democratization.

The new Communist Party leadership's first steps were clear and hopeful. Both outwardly—the door linking the two wings of the government building was finally opened. And in terms of content—instead of confrontation and conflict the new first secretary, Dzh. Amanbayev, stated his resolute support for all the president's progressive undertakings and the party's clear-cut course toward civic peace and harmony.

Today it can be stated with confidence that the April changes halted the very dangerous process of confrontation between the party and the new authorities, and provided a brake on the development of many other dangerous phenomena. But it only slowed them down. The financial, demographic, and interethnic situation in the republic is so complex that a mere reconciliation between the sides and a declaration of good intentions will not be enough to defuse the highly charged situation. We need resolute and original approaches.

That is why people—and not just Communists—were expecting an answer from the Central Committee plenum as to just what has been done in the past two months, and how far the new party leadership has advanced.

I will not repeat the list of good deeds which the new Central Committee Secretariat has to its credit. They are largely associated with changing the structure of party organs, democratizing intraparty life, and simply restoring the good traditions, forms, and methods of work which had been forgotten during the period of stagnation and confusion.

All this has been reflected at least to the extent that resignations from the party have slowed this year and it has been possible, together with the soviets, to strike the right tone in the extremely delicate and still dangerous relations between different nationalities.

But the aim of these remarks is not to praise the party's successful steps. Today it is far more important and useful to critically analyze mistakes and warn against any repetition of them. That is why, recognizing that there are many useful processes under way in Kyrgyzstan and that political forces here are more than ever ready for and close to agreement, I am nonetheless going to talk about difficulties and sore points. About what has not yet been achieved. All the more so, as the unexpected turn taken by the plenum debate provides every grounds for so doing.

Indeed, the discussion of Dzh. Amanbayev's rather cutting and quite constructive report was initially even too calm. The smooth flow of the plenum was disrupted by the speech from G. Kuznetsov, the republic's vice president.

"People here are criticizing the government, but the prime minister, most of his apparatus, and the leaders of sectors and departments are party members. The Communists are also in power in the soviets, many of which are currently blocking the president's decrees. So who are we complaining about?"

The words "ruling party" were often heard from the plenum rostrum. Formally that is what it is. Over 80 percent of the members of the Supreme Soviet are Communists. They also make up the majority of the Presidential Council and local soviets at all levels. So how can laws which run counter to the party line be voted through? After all, literally just before the plenum the president had to "veto" an article in the land law which allowed discrimination against a population group.

"We probably need to apply the term 'ruling party' more cautiously," P. Luchinskiy, secretary of the CPSU Central Committee, said in his speech. "In this case I think it would be more appropriate to talk about the 'party of the majority.'"

Judging by the speeches, by no means everyone agreed with this thesis. Even A. Sulaymankulov, second secretary of the Central Committee, firmly stated when "rebutting" G. Kuznetsov that, as the ruling party, we should take part in the resolution of all cadre questions. Of course, it is possible to argue about how justifiable it is to be so categorical. The realities of life can do this better than us. For instance, the former Central Committee first secretary brought his own candidate for obkom [oblast party committee] leader to Dzhalalabad, and the Communists rejected him. There have been many such cases at rayon and city level too.

To be fair, it should be said that presidential orders have often been defeated on cadre questions too. I see nothing sensational or any "enemy intrigue" in that. The democratization process, despite resistance, has already gone quite far even in Kyrgyzstan. People today elect those whom they believe and whose programs they support. If you want to win them over you have to convince them, consult with them, and prove things to them.

In this connection I think that the problem of the Communists' struggle for political leadership under the conditions of democratization could have been among the main points in the plenum report. After all, the course of the discussion showed how great the divergence of opinions and views here is.

And could it be any other way? If you drew a graph of all the fluctuations on the political scene you would get a very odd line. It would be just as complex and contradictory as our entire life today. Even an experienced politician would find it hard to interpret. So how would a shepherd, metalworker, or construction worker manage—even if they were very firm in their communist views?

The answer would seem to be simple and clear. The party Central Committee should help them. Is there any task more important for it today? But in all the months of the new Supreme Soviet's work the Central Committee did not prepare a single document or discuss the question of parliamentary tactics once.

Reading my notes on the plenum, its participants may object that this was not the only topic in the debates, many interesting and useful things were discussed too. Of course, that was the case. But it was no accident that I have highlighted a complex question which was not entirely resolved.

I am sure that communist parliamentarians everywhere are finding things hard today. Both where they are actually in opposition, and where they maintain a majority. Things are possibly even harder for the latter group. Because criticizing and denouncing is always easier (for journalists too). I can see this from the Kyrgyz Supreme Soviet, where certain deputies speak confidently on any issue, "shoot from the hip," and boldly disparage the authorities.

It is far harder to find constructive solutions, propose real compromises, or concede a small point for the sake of achieving the main goal. Kyrgyz Communists still have to learn all this and abandon a lot of their old baggage.

Only the first step toward consensus has been taken in Kyrgyzstan. And it turns out to have raised more questions that it answered. Communists are finding it very hard to stop opposing each other, comprising, as they do, the majority in all administrative organs. New forms of working and ways of cooperating are still just being tried out. But the Communist Party can no longer be an outside observer of the processes taking place in the republic. That has been firmly decided. And that, in my view, is the "topic of the day."